COLAB
San Luis Obispo County

The Coalition of Labor Agriculture and Business

WEEKLY UPDATE DECEMBER 15-21, 2019

   

THIS WEEK

ROAD FEE ORDINANCE HEARING

PASO WATER BASIN WATER PLAN APPROVAL

APPOINTMENTS TO BOARDS AND COMMISSIONS

LAST WEEK

EARLY WARNING ON ROAD FEE INCREASES

FIRST QUARTER FINANCIAL REPORT
COUNTY STILL NOT BUDGETING SOME RAISES

$10 MILLION LOS OSOS SEWER LAWSUIT TO BE PAID OFF WITH DEBT FINANCED RATE INCREASES

PLANNING COMMISSION LIGHT AGAIN
NO BIG PROJECTS ON TAP - HOW'S ECON DEV. GOING?

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ARE THE STAKES HIGHER THAN YOU THINK?

SLO COLAB IN DEPTH

SEE PAGE 20

NO OTHER STATE HAS THESE PROBLEMS!

BY ANDY CALDWELL

AS CALIFORNIA TEETERS TOWARD RECESSION WILL VOTERS FINALLY DEMAND BETTER POLICIES?

BY LEE OHANIAN

THIS WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, December 17, 2019 (Scheduled)

Item 13 - Submittal of a resolution approving 1) the January 1, 2020 – December 31, 2022 Memorandum of Understanding and side letters between the County of San Luis Obispo and the Deputy Sheriff's Association Law Enforcement Unit, Non-Safety Law Enforcement Unit, and Dispatcher Unit, 2) the January 1, 2020 – December 31, 2022 Memorandum of Understanding and side letters between the County of San Luis Obispo and the Deputy Sheriff's Association Supervisory Law Enforcement Unit, and 3) amendments to the San Luis Obispo County Employees Retirement Plan Appendices. The Board will adopt a new 3-year labor agreement which covers corrections deputies, dispatchers, certain supervisors, and some non-sworn safety personnel.

The contract appears fair to both the County and the employees. The costs are summarized in the table below:

Item	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23 and Annual Ongoing
Wages	$0	$346,207	$1,021,631	$1,350,848
Pension	$217,913	$441,711	$453,625	$459,656
Healthcare	$11,700	$38,100	$64,500	$76,200
Uniform Allowance	$32,040	$64,080	$64,080	$64,080
Standby, Court On-Call, and Court Call-Back Pay	$13,891	$27,782	$27,782	$27,782
Assignment Pays	$3,704	$7,509	$7,711	$7,814
Total Increases to Current Costs	$279,249	$925,388	$1,639,329	$1,986,379

Some highlights include:

Term

The term of the MOUs are three years, from January 1, 2020 through December 31, 2022.

Wages

There will be no wage increases for the year 2020.

Effective the pay period including January 1, 2021 wages shall be increased by 2.7%.

Effective the pay period including January 1, 2022 wages shall be increased by 2.5%.

Pension

Employees and the County shall share in pension increases 50/50, however for the term of the MOUs only the following provisions shall apply:

(1) Effective the pay period including January 1, 2020 employees shall receive a 3% pension equity adjustment, whereby the employee pension contribution rate shall be reduced by 3% and the County contribution rate shall be increased by 3%. This is in part in exchange for no wage increases for employees for the year 2020
(2) The employees' pension contribution rate shall not increase for the year 2020
(3) For the years 2021 and 2022 employees and the County shall share any pension rate increases 50/50, except that the employees' share of the increase shall not exceed 1%

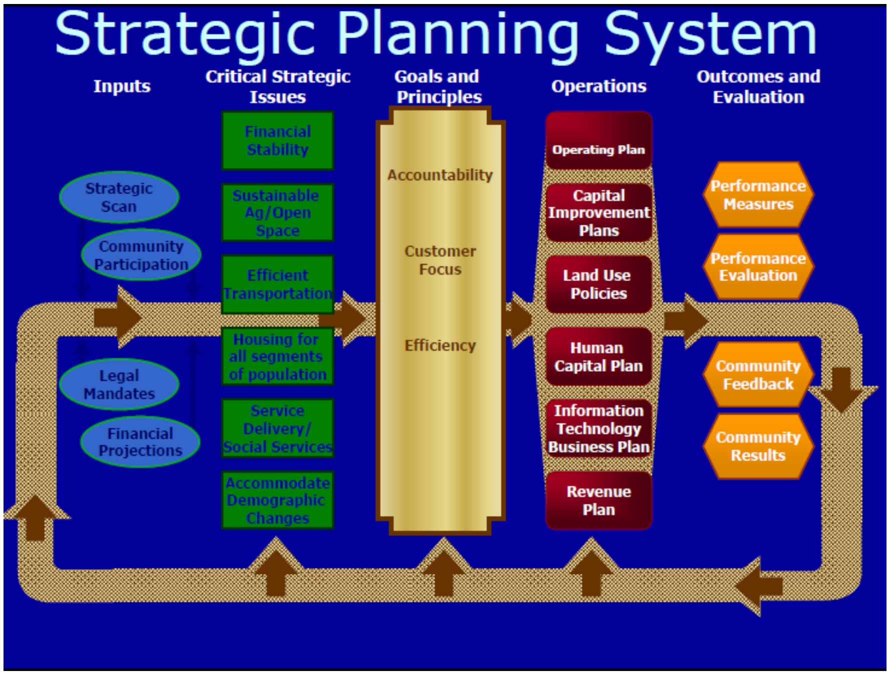
Healthcare

Effective the first paycheck of January 2020 for employees enrolled in County medical coverage, there will be a $25/mo. increase to the cafeteria contribution for employees with employee only medical coverage (from $800/mo. to $825/mo.), there will be a $25/mo. increase to the cafeteria contribution for employees with employee plus one dependent medical coverage (from $1,025/mo. to $1,050/mo.), and there will be a $30/mo. increase to the cafeteria contribution for employees with employee plus two or more dependent medical coverage (from $1,250/mo. to $1,280/mo.).

Effective the first paycheck of January 2021 for employees enrolled in County medical coverage, there will no additional increase to the cafeteria contribution for employees with employee only medical coverage, there will be a $25/mo. additional increase to the cafeteria contribution for employees with employee plus one dependent medical coverage (from $1,050/mo. to $1,075/mo.), and there will be a $30/mo. additional increase to the cafeteria contribution for employees with employee plus two or more dependent medical coverage (from $1,280/mo. to $1,310/mo.). Also, effective the first paycheck of January 2021 for employees enrolled in a high deductible health plan (HDHP), the County will provide a dollar for dollar match to a health savings account (HSA) up to a maximum County contribution of $750/yr. per employee.

Effective the first paycheck of January 2022 for employees enrolled in County medical coverage, there will no additional increase to the cafeteria contribution for employees with employee only medical coverage, there will be a $25/mo. additional increase to the cafeteria contribution for employees with employee plus one dependent medical coverage (from $1,075/mo. to $1,100/mo.), and there will be a $30/mo. additional increase to the cafeteria contribution for employees with employee plus two or more dependent medical coverage (from $1,310/mo. to $1,340/mo.).

Longer Term Issue: As salary, employee health insurance, and pension costs relentlessly grow, how does the County develop a long-range revenue plan that integrates capital investment, water development, land use, and economic development?



With Diablo closing and growing threats to close Oceano Dunes off-road riding and camping, and in the absence of concrete replacement economic development, the risk to County services and employees grows day by day.

Item 19 - Road Fee Ordinance. The item provides for the Board to set the annual road fees per the table below. The road fees are exactions levied against new development to help cover the cost of the traffic impacts generated by that new development. In this item the fees are stated to be not increasing. **Item 36** below places the fees on an annual index (automatic pilot) tied to a Southern California Engineering News Record Construction Cost Index.

This item should be trailed off the consent calendar and considered with **Item 36** below. See **Item 36** for a more extensive discussion.

FEE SUMMARY TABLE

FEE AREA	CURRENT AND RECOMMENDED FEES			ADVISORY COUNCIL REVIEW	ACCOUNT BALANCE (AS OF 7/1/18)	NO. OF PERMITS SUBJECT TO ROAD FEES	FEES RECEIVED	INTEREST	EXPENSES	ACCOUNT BALANCE (AS OF 6/30/19)	MAJOR WORK EFFORT
	RESIDENTIAL (PER PHT)	RETAIL (PER PHT)	OTHER (PER PHT)								
Los Osos	$4,106	$2,023	$3,112	Nov 2019	$40,893	10	$20,530	$1,116	$1,231	$61,308	• Traffic Signal – South Bay Blvd. at Nipomo Avenue • Major Update in Progress
North Coast Area A	$527	$262	$403	Sept 2019							N/A
Area B	$992	$262	$403								
Area C	$1,267	$262	$403		$37,067	3	$3,025	$750	$743	$40,099	
Area D	$586	$262	$403								
Area E	$282	$262	$403								
San Miguel	$6,148	$6,148	$6,148	Nov 2019	$604,629	39	$238,466	$14,855	$20,000	$837,950	Major Update in Progress
South County Area 1	$12,011	$3,336	$5,133	Sept 2019	$219,371	23	$244,222	$7,167	$453	$470,307	Tefft Street Interchange Mesa at Tefft Traffic Signal
Area 2	$10,048	$4,539	$6,983		$3,758,469	82	$959	$71,739	$159,950	$3,671,217	Los Berros Road Widening
Templeton Area A/B	$8,462	$8,462	$8,462	Sept 2019	$914,887	51	$295,955	$15,051	$441,448	$784,445	Vineyard Interchange Debt Service Main Street Interchange
Area C	$8,462	$8,462	$8,462		$1,694,223		$169,662	$34,545	$8,537	$1,889,893	
State Route 227	Fees Calculated per Individual Projects			n/a	$0	1	$85,911	$516	$0	$86,427	State Route 227 at Los Ranchos Road and Buckly Road

L:\Transportation\2019\December\BOS\Circulation Study 2019\Att 2 - Fee Summary Table 2019.doc

1 of 1

Item 20 - State Groundwater Management Act Update (SGMA): This is a bi-monthly report on the status of County and allied agencies' efforts to comply with SGMA content requirements and deadlines. Again, the County and other agencies appear to be on schedule. In fact and per **Item 33** below, the Paso Basin Ground Water Management Plan (GSP), sometimes called the Salinas Basin Plan, is on the agenda for approval and forwarding to the State Department of Water Recourses (DWR) for approval, modification, or rejection. Plans for the listed basins are well underway or completed.

1) Cuyama Valley (DWR No. 3-013, "Cuyama")
(2) Salinas Valley – Paso Robles Area (DWR No. 3-004.06, "Paso")
(3) Salinas Valley – Atascadero Area (DWR No. 3-004.11, "Atascadero")
(4) San Luis Obispo Valley (DWR No. 3-009, "San Luis Obispo")
(5) Los Osos Valley – Los Osos Area (DWR No. 3-008.1, "Los Osos")
(6) Los Osos Valley – Warden Creek (DWR No. 3-008.2, "Warden Creek")
(7) Santa Maria River Valley – Santa Maria (DWR No. 3-012.01, "Santa Maria")
(8) Santa Maria River Valley – Arroyo Grande (DWR No. 3-012.02, "Arroyo Grande")

The actual report is clear and comprehensive. For a look at your particular basin, click on the link:

https://agenda.slocounty.ca.gov/iip/sanluisobispo/agendaitem/details/11325

When it opens, click on the tab:

County Groundwater Basin Summaries and Key Updates on SGMA Efforts

Budget Status:

Budget Status Update for SGMA Program

as of 10/31/2019

The table below represents the County's SGMA Program FY 2019-20 Budget and expenditures by basin. Given the complexity of each basin's approach to funding the GSP development, this table does not attempt to depict the multi-year program costs or cost sharing/in-kind services contributed by partner agencies. See footnotes for other key elements of basin funding approaches.

		Current Fiscal Year Budget Status [1]			
Basin [2], [3]	GSP Development Phase Duration in Fiscal Years [4]	FY 2019-20 Budget	FY 2019-20 Costs to Date	Remaining FY 2019-20 Budget	Total SGMA Costs to Date (7/1/17 - Current)
SGMA Program		2,745,425.80		$ 2,745,425.80	
Los Osos Basin	*FY 17/18-19/20*		$ 2,209.58	$ (2,209.58)	$ 73,346.83
Cuyama Basin	*FY 17/18-19/20*		$ 2,748.70	$ (2,748.70)	$ 67,830.05
Paso Basin	*FY 17/18-19/20*		$ 92,979.76	$ (92,979.76)	$ 979,842.87
San Luis Obispo Basin	*FY 17/18-21/22*		$ 255,564.19	$ (255,564.19)	$ 369,835.09
Santa Maria Basin	*FY 17/18-21/22*		$ 1,620.29	$ (1,620.29)	$ 46,162.05
Atascadero Basin	*FY 17/18-21/22*		$ 1,736.03	$ (1,736.03)	$ 7,008.72
County General Fund (GF) Contribution Total		*$ 2,745,425.80*	*$ 356,858.55*	*$ 2,388,567.25*	*$ 1,544,025.61*
Flood Control Zone General (FCZ) Contribution Total			*$ 337,309.43*		*$ 2,315,717.43*
SGMA Program Total (GF + FCZ)			**$ 694,167.98**		**$ 3,859,743.04**

Footnotes:

[1] Expenses shown in the table were incurred in the General Fund (FC 20101). The table also reflects the expenses of in-kind services provided by the Flood Control District in support of the SGMA Program during the GSP Development Phase.

[2] Estimates do not reflect total costs of SGMA compliance in each basin, as each basin may be comprised of multiple funding sources (e.g. in-kind services provided by partner agencies).

[3] Five of the six basins received conditional award of State SGMA grant funding. Grant receipient varies by basin and the benefit to offset the County's cost sharing contribution depends on basin-specific cost sharing allocations among partner agencies. The grant funding offsets GSP costs throughout the GSP Development Phase (i.e., over the next 3-5 years, depending on the basin GSP deadline). The Budget Status will be updated to reflect grant reimbursement once Grant Agreements are in place, and the County receives its respective share of reimbursements.

[4] This column briefly notes the GSP Development Phase timeframe based on SGMA's regulatory deadline applicable to each Basin.

There has been much carping by Supervisors Gibson and Hill about using County Flood/Water District Funds and General Fund sources to help pay for the GSPs. However, note that so far of the total General Fund amount expended over 3 years has been limited to $1.5 million of $3.8 million budgeted.

Item 23 - Submittal of a resolution approving the July 1, 2019 – June 30, 2021 Memorandum of Understanding between the In-Home Supportive Services Public Authority Governing Board and the United Domestic Services Workers of America, AFSCME Local 3930, AFL-CIO. This item seeks approval of a labor agreement with the union that represents home health care aides under the In Home Supportive Services (IHSS) program.

Social Workers within Department of Social Services (DSS) receive applications from persons requesting IHSS services and visit the home of the applicant. During this visit, facts are gathered concerning the individual's/family's finances, the degree of disability, the available alternative resources and the assessed needs. Eligibility for services is based on two primary factors: 1) financial threshold including available alternative resources, and 2) the degree of disability. When an individual is deemed eligible for services, "domestic and related" activities such as grocery shopping, cooking, clean-up and housework may be provided. It also may include "personal care" services such as dressing, bathing and bowel-and-bladder care or "protective supervision" services for persons who cannot safely be left alone.

The State pays the counties a substantial portion of the cost but is considering cutbacks that would increase county expenditures. The cost of this labor contract is only about $54,000 but might grow in the future.

Item 31 - Appointments to Boards and Commissions for 2020. It appears that there will not be any serious disputes about this item. The CSAC, Econ Vitality Commission, LAFCO, and CAPSLO are important in terms of major Countywide policy formulation.

TITLE	2019 Appointments	2020 Interest
Adult Services Policy Council	Bruce Gibson	Bruce Gibson
Behavioral Health Advisory Board	Adam Hill	Adam Hill
Cal ID Advisory Board	John Peschong	John Peschong
Carrizo Plain National Monument Advisory Committee	Debbie Arnold	Debbie Arnold
Cal Poly Campus Planning Committee	Debbie Arnold	Debbie Arnold
California State Association of Counties (CSAC)	Bruce Gibson, Debbie Arnold-Alternate	Bruce Gibson, Alternate-Vacant
Children's Resource Network of the Central Coast	Adam Hill	Bruce Gibson
Community Action Partnership of San Luis Obispo (CAPSLO)	Debbie Arnold	Debbie Arnold
Economic Vitality Corporation	Adam Hill, Lynn Compton	Adam Hill, Lynn Compton

Fire Safe Council	Debbie Arnold	Debbie Arnold
First 5 Children & Families Commission	Bruce Gibson	Bruce Gibson
Golden State Finance Authority	John Peschong No Alternate	Lynn Compton No Alternate
Homeless Services Oversight Council	Adam Hill	Adam Hill
Latino Outreach Council	Debbie Arnold	Debbie Arnold
Local Agency Formation Commission (LAFCO)	Debbie Arnold, Lynn Compton, John Peschong- Alternate	Debbie Arnold, Lynn Compton
Model of Care Partnership Oversight Committee (MOCPOC) Martha's Place	Bruce Gibson	Bruce Gibson
Nacimiento Water Project Commission	John Peschong	John Peschong
National Estuary Program Executive Committee	Bruce Gibson	Bruce Gibson
Psychiatric Health Facility Committee	Debbie Arnold	Vacant

Rural Counties Representatives of California (RCRC)	John Peschong, Lynn Compton- Alternate	Lynn Compton, John Peschong -Alternate
SB/SLO Regional Health Authority (CenCal)	Debbie Arnold	Debbie Arnold
South County Area Transit (SCAT)	Lynn Compton	Lynn Compton
Student-Community Liaison Committee	Debbie Arnold	Debbie Arnold
Visit SLO Advisory Committee	Lynn Compton	Lynn Compton
Consolidated Oversight Board		Vacant
Paso Basin Cooperative Committee		John Peschong, Alternate – Debbie Arnold
Atascadero Basin GSA Exec Committee		Debbie Arnold, Alternate- John Peschong
SLO Basin Groundwater Sustainability Commission		Adam Hill, Alternate-Bruce Gibson
Cuyama Basin JPA Board of Directors		Lynn Compton, Alternate- Debbie Arnold
Los Osos Basin Management Committee		Bruce Gibson

Remember that the Supervisors also serve by law on the Boards of the SLOCOG, APCD, and Waste Management Authority. The amount of meeting material that they must master in addition to the Board of Supervisors agenda and committee work is extensive. On top of all this they have their political rolls and ceremonial community rolls.

This renders them heavily staff dependent and gives staff substantial influence in policy formulation.

Item 32 - Hearing to consider a Temporary Commercial Outdoor Entertainment License Application for events to be held at the Avila Beach Golf Course and Resort (ABR). Request continuance to March 24, 2020. The issue is being continued due to sudden Coastal Commission intervention. The write-up states in part:

On November 19, 2019, your Board scheduled a public hearing for the Temporary Commercial Outdoor Entertainment License Application for events to be held at the Avila Beach Golf Course and Resort (ABR). The public hearing is required by Chapter 6.56 of County Code for consideration of the license application by your Board.

On November 26, 2019, the ACTTC received a request from the applicant to continue the public hearing for approximately 90 days in order to address comments the County received from the California Coastal Commission, specifically, concerns related to1) the applicability of the Commission's original jurisdiction for this license; 2) how the permit is being processed under the County's Local Coastal Plan; and 3) whether a coastal development permit is required. Should your Board grant this continuance, a new hearing date will be scheduled for March 24, 2020.

There have been concerts at the site for years. Suddenly the Coastal Commission has decided to take an interest. It is not known what exact complications may arise, but it's certainly trouble ahead.

Item 33 - Hearing to consider 1) submittal of a resolution adopting the Paso Robles Subbasin Groundwater Sustainability Plan (GSP) (Clerk's Filed) for the Salinas Valley – Paso Robles Area Subbasin ("Paso Basin"), approving Amendment No. 1 to the Memorandum of Agreement regarding preparation of a GSP for the Paso Basin, authorizing the Director of Public Works to serve as Plan Manager and finding that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA); and 2) direct staff to conduct a staffing analysis and return to the Board with recommendations for GSP implementation. The Groundwater Sustainability Plan (GSP) is required by the State Groundwater Management Act of 2014 (SGMA). It must demonstrate to the State Department of Water Resources how the County, several water districts, and the City of Paso Robles will cooperatively bring the basin into balance by 2040. The deadline for submitting the Plan is January 31, 2020. Reportedly there is agreement between the staffs of various participating agencies on the content, implementation management financing, and schedule.

The final edition of the Plan (it has gone through successive drafts) does not seem to be available as part of this agenda item. It is listed as an attachment, but when the tab is selected it does not take the user to a hyperlink to the Plan. Instead, the message below is displayed:

> *CLERK'S FILED*
>
> *A copy of the Paso Robles Subbasin Groundwater Sustainability Plan documents is on file with the Clerk of the Board of Supervisors.*

Apparently the actual final Plan is only available to the public by visiting the County Clerk's office. This seems peculiar, since the County Budget, massive EIRs, and other bulky documents are routinely provided by indexed hyperlinks. A draft of the Plan (of uncertain date and vintage) is accessible by drilling down into the Public Works website, but it is not the officially filed version.

The link to the draft is:

https://www.slocounty.ca.gov/getattachment/4e2e5996-0476-47a1-917f-666990de59c6/Paso-Draft-GSP-Volume-2-Ch-7-12.aspx

When it opens, scroll down to Table of Contents Page iii and click on Chapter 9. It will open and contains the key Plan actions.

The fundamental problem to be solved is that more water is being pumped out of the basin than is flowing in from various sources. The two tables below summarize the gap. This means that the key action in the GSP is to require reduced pumping of 13,400 acre-feet per year, or about 18%. Unless the vineyards can reduce their pumping though best practices and technology, reductions could be imposed. The key required action would then be fallowing some portion their production.

Table 6-3. Estimated Historical (1981-2011) Annual Groundwater Inflows to Subbasin

Groundwater Inflow Component [1]	Average	Minimum	Maximum
Streamflow Percolation	26,900	2,000	126,000
Agricultural Irrigation Return Flow	17,800	10,700	29,100
Deep Percolation of Direct Precipitation	12,000	300	45,400
Subsurface Inflow into Subbasin	10,100	4,900	14,300
Wastewater Pond Percolation	3,400	2,400	4,400
Urban Irrigation Return Flow	1,200	300	2,200
Total	71,400		

Note: All values in AF

Table 6-4. Estimated Historical (1981-2011) Annual Groundwater Outflow from Subbasin

Groundwater Outflow Component	Average	Minimum	Maximum
Total Groundwater Pumping	72,400	48,200	102,900
Groundwater Discharge to Streams and Rivers from Alluvial Aquifer	7,300	4,300	11,800
Subsurface Flow Out of Subbasin	2,600	2,300	3,000
Riparian Evapotranspiration	1,700	1,700	1,700
Total	84,000		

Note: All values in AF

The Plan calls for ameliorating some portion of this potential reduction through a variety of projects including:

1. Groundwater recharge enhancement – spreading basins, slowing the flow in rivers and streams so that more water percolates into the ground, and so forth.

2. Use of tertiary treated sewer water from the City of Paso Robles.

3. Use of Nacimiento Project water.

4. Use of State Project water.

The acquisition of the water and the design and construction of the works for pumping and distributing it will cost tens of millions of dollars, which will have to be assessed and paid for by the users.

Potential Friction: During a periodic SGMA update several months ago, the Paso Basin Wine Alliance and a representative of the El Pomar Water District asserted that the Paso Basin GSP ignored agricultural interests. Simultaneously, the State Board of Food and Agriculture (which has no role in water management) sent a letter to the County repeating the same charges. Additionally the SLO New Times ran a multi-column article amplifying the assertions.

During the Board meeting of that week, Supervisor Gibson, echoed by Supervisor Hill, stated that the GSP was inadequate. His remarks suggested that it was not precise enough and did not provide real solutions. He promised to detail his concerns when the GSP was up for final approval.

Fifth District Supervisorial candidate Ellen Beraud has made the same charges in various forums and on her campaign website. She has not provided any specifics. In part the site states:

North County's groundwater management is in crisis. With no plan or meaningful oversight in place, water levels continue to drop and threaten the health of the aquifer. Instead of approving a thoroughly researched management plan in 2013, the incumbent led the Board of Supervisors to approve the use of millions of General Fund taxpayer dollars to subsidize the water needs of a few politically well-connected land owners. As our North County groundwater basins continue to decline, we can't afford another term of inaction. We desperately need a transparent groundwater management plan that fairly and sustainably protects our county's most precious resource. By implementing carefully considered, reasonable, and equitable water policy, we can both promote economic growth, and preserve our water supply for generations to come.

Item 36 - Hearing to consider adoption of the attached ordinance amending Title13 to provide for an annual index adjustment in the Road Improvement Fee Programs and exempting affordable housing units from road improvement fees. (Also see Item 19 above, which is related). Road fees are levied on new construction and building additions in various parts of the unincorporated county per the map below. The amendments would provide for annual increases based on a formula and would exempt very low income housing developments from having to pay the fees. The fees are accumulated over the years and then used to help pay for road and related improvements in the area where fees were levied.

13.01.055 – Fee adjustments by the County
(a)The road improvement fee shall be automatically adjusted each year following the first year after the effective date of this Section. The adjustment shall be calculated by the Public Works Department, based on the increase or decrease in the Engineering News Record Construction Cost Index for the 20-city average for the three (3) year period ending June 30 of the preceding calendar year.

(b)In addition, adjustments to the road improvement fee may be approved by the Board of Supervisors to reflect more accurate cost estimates of providing the specified public improvements based upon a more detailed analysis or design of the previously identified public improvements.

(c)Fee adjustments shall take effect as of March 1st of each year after adjustments have been approved, after the effective date of this section. Adjusted fee amounts will be posted to the public within a reasonable time of their effective date.

13.01.056 – Exemptions
Affordable housing units meeting the definition of extremely low-income, very low-income, and lower-income, as set forth in Land Use Ordinance Section 22.12.070 and Coastal Zone Land Use Ordinance Section 23.04.094.

The fees will be based on the report from the Southern California Engineering News Record. A sample is presented in the table below:

ENR - Construction Cost Index (20-city avg)		
YEAR	INDEX	% CHANGE
2012	9291	-
2013	9542	2.70%
2014	9800	2.70%
2015	10039	2.44%
2016	10337	2.97%
2017	10703	3.54%
2018	11069	3.42%

The new fee increases will be applied to the existing rates (which are detailed in this item for easy public and Board access) on page 15 below.

The main disadvantage for the public is that these fees will now be on automatic pilot. It is not clear if they will have to be adopted each year by the Board on the public agenda. If not, the Board escapes any public scrutiny, and the formula will drive the rates inexorably upward as construction cost increases are driven upward by bans on quarries, bans on oil (the key component in asphalt), transportation cost increases due to SB-1, and all the prior gas and diesel taxes.

COLAB objected to the automatic pilot provision last week, and there is some chance that the Board may consider adding a provision to have an annual review of the rates as they change.

If they don't, no one will have any idea what is going on or when and where they should complain.

Apparently fees for subdivisions have been on this system for some time and were increased on May 3, 2019.

The Board should reject this item and should send it back to the drawing board. Moreover, we have constantly advocated for shifting more of our local tax dollars over to roads and other capital investment. Instead, the current budget reduced the amount of local tax dollars and supplanted them with SB-1 tax increase dollars.

Enough is enough. The Board should reject this item and should adopt strong capital investment policies and pay for them as a priority, instead of using tax increases disguised as fees.

Just what is the County's overall strategic revenue plan for the next 5 years – that is, what is the Board doing to grow revenue naturally from the economy? Oh right, let a nuclear plant that generates $22 million in taxes and $1 billion in economic activity close and turn the site into a tax eating natural preserve.

ROAD IMPROVEMENT FEE SCHEDULE

Last BOS adjustment 12/12/2017

cost per peak hour trip

AVILA VALLEY	
Residential	$3,846
Residential Secondary Unit	$2,564
Retail	$3,846
Other	$3,846

NORTH COAST					
	A	**B**	**C**	**D**	**E**
Residential	$527	$992	$1,267	$586	$282
Residential Secondary Unit	$351	$661	$845	$391	$188
Retail	$262	$262	$262	$262	$262
Other	$403	$403	$403	$403	$403

LOS OSOS	
Residential	$4,106
Residential Secondary Unit	$2,737
Retail	$2,023
Other	$3,112

SAN MIGUEL	
Residential	$6,148
Residential Secondary Unit	$4,099
Retail	$6,148
Other	$6,148

SOUTH COUNTY		
	Area 1	**Area 2**
Residential	$12,011	$10,048
Residential Secondary Unit	$8,007	$6,699
Retail	$3,336	$4,539
Other	$5,133	$6,983

TEMPLETON			
	Area A	**Area B**	**Area C**
Residential	$8,462	$8,462	$8,462
Residential Secondary Unit	$5,641	$5,641	$5,641
Retail	$8,462	$8,462	$8,462
Other	$8,462	$8,462	$8,462

STATE ROUTE 227 CORRIDOR TRAFFIC MITIGATION PROGRAM

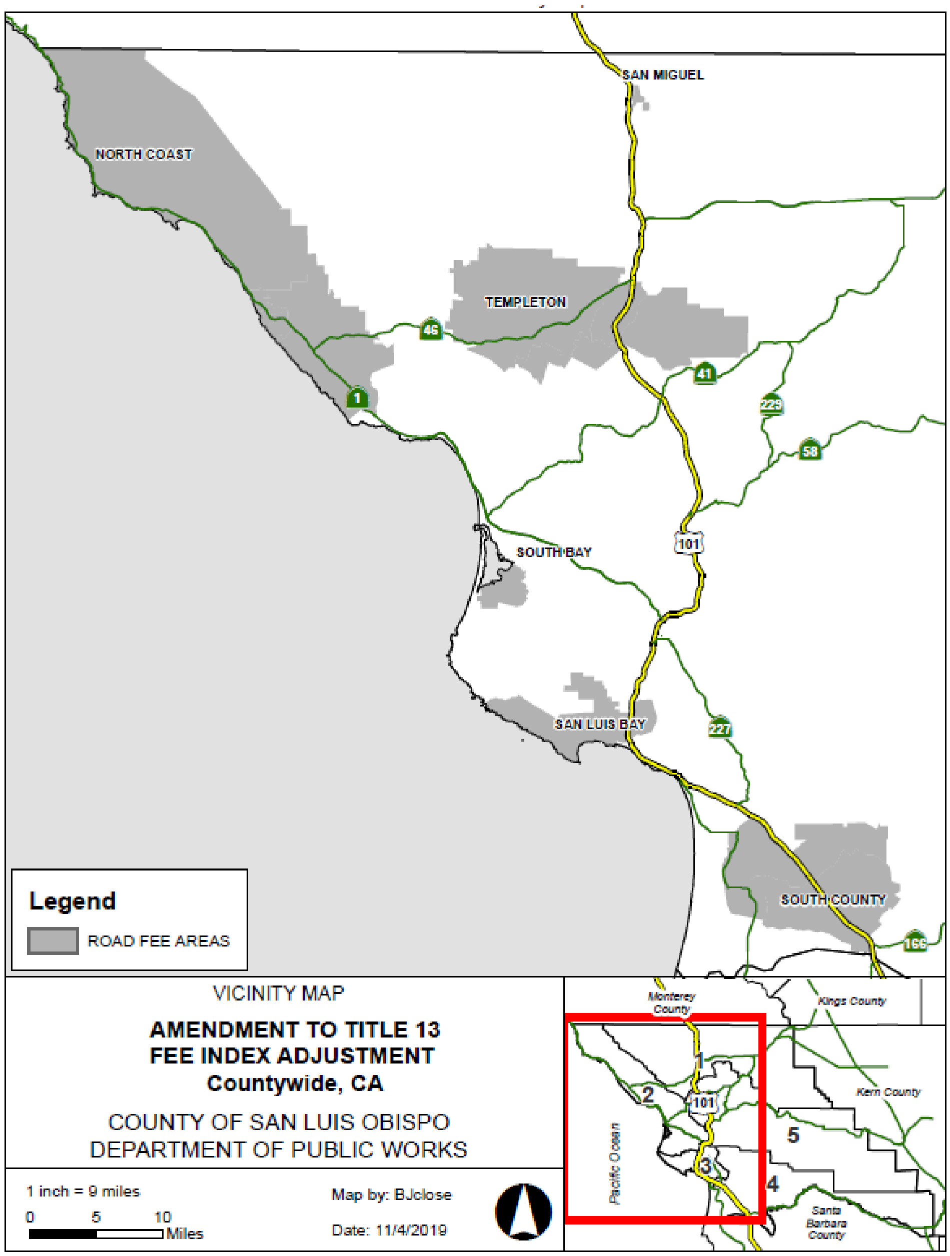
Requires entering into agreement with the Department. Fee determined on a case-by-case basis as determined by the applicant's civil engineer and approved by the Department of Public Works.

FEES BASED ON SUBDIVISION AGREEMENTS

Tract 1063	$5,216	1	Tract 2629	$4,421	1
Tract 1094	$5,216	1	CO 00-086	$7,733	1
Tract 1660	$9,506	1	CO 00-236	$7,908	1
Tract 1724	$7,292	1	Tract 2637	$5,431	1,3
Tract 1910	$2,926		Tract 2637	$3,249	1,4
Tract 1933	$4,889	1,2	Tract 2647	$5,431	1
Tract 1990	$3,212		Tract 2779	$3,831	1
Tract 2162	$7,414	1	Naci Adel	$2,876	1

Notes:

1. Subject to annual adjustment based on Caltrans Construction Cost Index (Second Quarter numbers), last updated 5/3/2019
2. Must also pay South County Area 2 RIF
3. Roads
4. Drainage



1 of 1

LAST WEEK'S HIGHLIGHTS

Board of Supervisors Meeting of Tuesday, December 10, 2019 (Completed)

Item 1 - Introduction of an amendment to the Road Improvement Fee Ordinance, Title 13, to provide for an annual index adjustment in the Road Improvement Fee Programs and to exempt affordable housing units from road improvement fees. Hearing date set for December 17, 2019. The item was set for this week – see all the details above under **Item 36**.

Item 36 - First Quarter Financial Report. The Board received the Report, which was routine and indicated that there are no overall countywide financial problems that cannot be handled during the current FY 2019-20 Fiscal Year. Overall, revenues are performing as budgeted or are even slightly ahead. Expenditures are under-running their budgets in most cases.

The exceptions are the perennial problem areas of the Sheriff's office, the Golf program, Public Defender costs (too many murder trials), and various health and social service programs. The latter are impacted by increased caseloads and overly complex state funding procedures that make it difficult for counties to manage them.

The golf program has suffered from lack of play and water shortages in the past. Earlier in the year, the County adopted a program of diversification of attractions at the Dairy Creek Golf Course, which includes a better restaurant, go-carts, and an electronic simulated driving range that tracks shots and helps perfect users' golf techniques. The facilities are under construction and behind schedule. The projected revenues will therefore not commence until sometime next year.

A projected deficit in the Sheriff's budget has become an annual ritual ($3.1 million for this year) because the County does not place sufficient funds in its recommended and adopted budgets to cover raises which are under negotiation or which have been negotiated.

Per the quotes from the write-up below, the staff had plenty of time to include the costs of these contracts in the Budget adopted in June:

At the end of the first quarter, the Sheriff's Office is projecting that it will be over its budgeted level of General Fund support by $3.1 million at year-end due to unbudgeted salary and benefit and overtime expenses.

On March 26, 2019 and April 9, 2019, the Board approved salary and benefit increases for Deputy Sheriff's Association (DSA) and Sworn Deputy Sheriffs' Association (SDSA) employees. Those increases were not budgeted in FY 2019-20 and are estimated to cost approximately $3.2 million annually in total ($1.3 million for DSA employees and $1.9 million for SDSA employees), some of which will be covered by salary and benefit savings due to vacancies.

The current process simply defers having to actually pay the piper and underrepresents the total amount of the Budget at the very moment that it is up for Board and public scrutiny.

Item 41 - Hearing to consider a resolution 1) partially upholding an appeal by yak tityu tityu yak tilhini Northern Chumash Cultural Preservation Kinship (APPL2019-00018) of the Planning Commission's approval of a request by the Pacific Gas and Electric Company (PG&E) for a Development Plan / Coastal Development Permit (DRC2018-00003) for the North Ranch Road Improvement Project, located between the southern parking lot of Montaña de Oro State Park and just north of the Diablo Canyon Power Plant. The Board approved the appeal**,** which will require that PG&E fund a genealogical study of Native American culture groups that are squabbling over who has the right to monitor the project.

From time to time, tribes and other cultural affinity groups are engaged to monitor excavations and construction in order to assist in identifying burial sites and artifacts. In many cases they are paid a fee for their archeological and cultural expertise.

During the meeting it was clear that Northern Chumash Cultural Preservation Kinship is strongly advocating that its ancestors were the inhabitants of the area though which the road travels. In fact during the meeting representatives asserted that the entire area was tribal land. It was noted that a new law has been passed which gives tribes right of first refusal on the purchase of certain ancestral lands.

This raises the potential of the group attempting to acquire some or all of the land when PG&E disposes of the Diablo Power Plant. Although this group is not an officially listed Federal Tribe, it might become one or affiliate with one. The stakes could then be very high. What a magnificent site for a 5-Star destination resort casino. If taken into Federal trust, it would be land which would not be subject to County and State land use provisions.

Perhaps the stakes are much higher than anyone imagines.

OCEANFRONT RESORT CASINO

They could design one that is more rustic and subdued, in keeping with the area. The County could negotiate for a piece of the handle to replace the lost Diablo tax revenue.

Background: The Planning Commission approved a permit for PG&E to make road improvements to an existing approved road which accesses the Diablo Plant site from the north per the map below.

The Northern Chumash Cultural Preservation Kinship (Kinship) appealed because they were not included in the requirements that members be present to monitor excavation work lest any sacred sites, burial grounds, or other cultural attributes be disturbed. The staff recommended partial approval of the appeal, which was subsequently granted.

Several weeks ago, a separate group, the Northern Chumash Tribal Council (Chumash Council), asserted that the Preservation Kinship is not the group which has Native American jurisdiction in the project area. They filed letters insisting that they are the ones who should be monitoring the excavation work.

Apparently, there is a State Board known as the Native American Heritage Commission, which has the sole jurisdiction for adjudicating such disputes. This is often done by examining genealogical records to determine which descendants are those whose ancestors lived and were buried in the project area. Accordingly, PG&E will have to pay for a genealogical study as a condition of its permit. This can then contribute to your electric rates.

Planning Commission Meeting of Thursday, December 12, 2019 (Completed)

There were no actions of significant policy or community interest on this agenda. In fact, given the lack of major projects of any kind, there are hardly ever any to report. This bodes ill for the future ability of the County to maintain current service levels and make necessary capital investments.

This lack of activity is symptomatic of the difficulty of developing and building anything in the County under its overarching scheme of “smart growth” no growth. Meanwhile the clock is running on the Diablo closure and resulting negative economic multipliers.

COLAB IN DEPTH

IN FIGHTING THE TROUBLESOME, LOCAL DAY-TO-DAY ASSAULTS ON OUR FREEDOM AND PROPERTY, IT IS ALSO IMPORTANT TO KEEP IN MIND THE LARGER UNDERLYING IDEOLOGICAL, POLITICAL, AND ECONOMIC CAUSES

NO OTHER STATE HAS THESE PROBLEMS!

By Andy Caldwell

I have been writing about California’s lone descent into chaos and calamity for quite some time, relative to our perennial raging infernos compounded by power shutoffs , both of which can and should be avoidable. Nevertheless, the people responsible for this mayhem and destruction (namely our past and pre-sent state governors and state legislature) are doing their best to avoid culpability by way of blaming these disasters on corporate negligence and climate change in an attempt to greenwash their own ineptitude and misfeasance.

The thought of blaming our utilities, who’s every move and expenditure must be countenanced by the Governor’s appointed Public Utility Commission, is ludicrous. Couple that with the mandates flowing from the state legislature and it is safe to say, the responsibility for our current situation falls squarely on the shoulders of politicians and activists.

Here is a recap of how we got to where we are. First, we have 143 million dead trees in this state, not be-cause of drought, but because we have not managed these forests for decades. We allowed the density of trees per acre to increase to 10x the level of a healthy forest, resulting in too many trees competing for water, nutrients, and sunlight. This failure to manage the overgrowth by way of logging and control burns left these trees vulnerable to drought and disease result-in in mortality. These trees are now waiting for a spark because our government won't suspend the requirement to obtain hundreds of permits to remove them.

Second, the state of California, by way of the Public Utilities Commission and the State Legislature, along with the US Forest Service, ultimately controls what the state utilities can and can't do, including the ability to remove all vegetation in the vicinity of their power lines that could spark a fire. In this state, the utilities are often restrained from clearing brush mere inches from their lines instead of hundreds of feet. This has, and will continue to foment unmitigated disaster.

Third, the aforementioned government powers, name-lee the PUC and the legislature, have determined their number one priority is the production of green energy not the safety of distribution lines. Hence, the utilities were forced to develop or buy any and all green energy projects regardless of the cost or practicality of the same.

As Katy Grimes of the California Globe reported, two CA republican legislators did the math on the carbon emissions from forest fires in comparison to other sources. The contest wasn't close. Fires are a top producer of greenhouse gases. Regardless, in the midst of all the fires burning throughout the state, the bill they introduced that would grant the utilities relief from the renewable portfolio mandate in order to spend money upgrading their lines by way of burying or hardening the same, has been rejected outright.

Any person who is truly concerned about public safety and alleged climate change due to carbon emissions would have gladly supported the bill. This proves that the progressives in this state don't mind if things are burning, including homes, forests and residents, as long as it is not fossil fuels.

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AS CALIFORNIA TEETERS TOWARD RECESSION WILL VOTERS FINALLY DEMAND BETTER POLICIES?

BY LEE OHANIAN

Is California heading for a recession? According to the latest data from the Bureau of Labor Statistics, there were fewer people working in October 2019 than in October 2018.

In contrast to the rest of the country, economic expansion has stalled in California, and recession may be on the way. Nationwide, non-farm employment has grown by more than 2.2 million workers. If California's economy had followed the national trend, we would have added 300,000 new workers to state payrolls over the last year.

Why is California an economic outlier? It is because of economic policies that depress living standards. After decades of some awful policies, the chickens have come home to roost. And despite continued deterioration of quality of life for most Californians, state and local lawmakers are pushing full steam ahead with more policies that depress freedom of choice and economic opportunity.

In September, state lawmakers chose to lay waste to those who wish to work as independent contractors. This new legislation imposes draconian rules that require an independent contractor as one whose work is free from the control and direction of the hiring entity and whose work is performed outside the usual course of the hiring entity's business.

So much for being an independent contractor, unless you are in a politically protected trade whose political lobbying associations successfully implored lawmakers to exempt them from the new legislation—physicians, dentists, accountants, engineers, real estate agents, insurance agents, and architects, among others.

Why would the state prevent mutually advantageous trades? By reclassifying independent contractors as employees, the state will receive a new sea of funding for its unemployment insurance and disability funds. Moreover, state lawmakers provide an important payoff to unions, one of the most politically important constituencies within the state, who now can set their sights on organizing millions of new workers.

Another sign of deteriorating quality of life is housing costs. Last year, state lawmakers chose to require almost all new California homes to have solar panels and high cost, over-the-top energy-efficient appliances and windows. This will raise the cost of a new home by as much as $40,000, making housing even less affordable.

At the local level, San Francisco lawmakers are trying to implement an "overpaid CEO tax" on companies headquartered there, with the tax rate rising to as high as 0.6 percent of revenue, because they object to income inequality. This law will do nothing for income inequality, but will push existing businesses out of San Francisco and prevent new transformational businesses from locating there.

And as the median housing price has increased to over $1 million in San Francisco and Silicon Valley, local lawmakers have made it incredibly costly to expand the housing stock. Recently, San Francisco supervisors fought a property owner who wanted to transform a laundromat into an apartment building. It took the property owner longer than six years and over $1 million in legal fees to finally obtain approval. This included dealing with a variety of appeals and objections, ranging from complaints that the apartment building would cast shade on neighboring areas, and an appeal to have the 1960s era building declared a historical monument because it had once been used by a community activist group.

And despite what appear to be high median salaries in many California coastal communities, these salaries don't go far after adjusting for the cost of living. Even tech salaries, which are perhaps the highest of any California sector, are lower in California than in Waukesha, Wisconsin, after adjusting for living costs.

More broadly, California's policies have delivered a failed economic scorecard: ranked from best to worst, the state is 49th in housing affordability, behind only Hawaii and Washington, DC; 43rd in quality of public schools; 45th in personal taxes; 49th in business taxes; 50th in traffic congestion; 45th in energy costs; and 34th in rates of violent crime. And despite high gas taxes, it received a grade of "D" for roadway quality from the nation's civil engineering society.

These policies are not just depressing California's economy relative to its long-run potential, but they make the California economy increasingly vulnerable to external shocks. In the last recession, now more than 10 years ago, California was hit harder than almost any other state, and nothing has really changed for the better other than the state's having a larger rainy-day fund on hand. But that fund's current level of around $16 billion won't go far in a state of nearly 40 million people that gets devastated during recessions.

The big question is why voters don't vote for better politicians. Incumbent politicians claim to fight for low-income households and minority families, but nothing could be further from the truth. Low-income families are often stuck with low-quality schools, relatively high-crime neighborhoods, and housing costs that take as much as 50 percent of household income.

One reason poorly performing politicians continue to get elected is that they serve a politically powerful albeit narrow set of constituents whose interests are far from those of low-income households. One such interest is the state teachers' unions, who block school reforms that could be game changers. These reform failures inordinately affect the schools in the poorest neighborhoods.

Another high-influence group is made up of the state and local government employees who benefit from rising state pension costs, a result of unsustainable promises made to them by politicians. The unfunded component of state pensions is estimated to be as high as $60,000 per household. This cozy quid pro quo of politicians providing extraordinarily high pensions to state workers in return for political support has been going on for decades, and the costs of dealing with this mess will hurt lower-income households much more than those at the top end.

The reason many incumbent politicians only pay lip service to low- and middle-income, particularly Latino, households is that these groups tend not to vote. A recent survey shows that only about 19 percent of eligible Latino voters are likely to vote.

Latino voters are a demographic group that does not connect very well with California's Democratic party. They tend to be much more conservative than state Democratic party leaders, they tend to be very entrepreneurial, and they place a high value on schooling and economic and political freedom. Many know what it is like to live in a poor society with little freedom and opportunity.

Ironically, these voters Are likely to be too busy working and taking care of their families to spend a lot of time on understanding the issues that affect California and how to solve them. But if these voters were sufficiently informed, then they could make a big difference in a state that is politically dominated by cultural and social elite whose interests are light years away from those of most Californians. One day, this voting shift will happen. Perhaps this is what it will take for California political leaders to advance better governance and policies. I hate to say this, but maybe the state's next recession will have a silver lining

Lee E. Ohanian is a senior fellow at the Hoover Institution and a professor of economics and director of the Ettinger Family Program in Macroeconomic Research at the University of California, Los Angeles (UCLA).

He is associate director of the Center for the Advanced Study in Economic Efficiency at Arizona State University and a research associate at the National Bureau of Economic Research, where he codirects the research initiative Macroeconomics across Time and Space. He is also a fellow in the Society for the Advancement of Economic Theory.

His research focuses on economic crises, economic growth, and the impact of public policy on the economy. Ohanian is coeditor of <u>Government Policies and Delayed Economic Recovery</u> (Hoover Institution Press, 2012). He is an adviser to the Federal Reserve Banks of Minneapolis and St. Louis, has previously advised other Federal Reserve banks, foreign central banks, and the National Science Foundation, and has testified to national and state legislative committees on economic policy. He is on the editorial boards of Econometrica and Macroeconomic Dynamics. He is a frequent media commentator and writes for the Wall Street Journal, Forbes, and Investor's Business Daily. He has won numerous teaching awards at UCLA and the University of Rochester.

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10th ANNIVERSARY
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DAN WALTERS EXPLAINS SACTO MACHINATIONS AT A COLAB FORUM
See the presentation at the link: https://youtu.be/eEdP4cvf-zA

AUTHOR & NATIONALLY SYNDICATED COMMENTATOR BEN SHAPIRO APPEARED AT A COLAB ANNUAL DINNER

NATIONAL RADIO AND TV COMMENTATOR HIGH HEWITT AT COLAB DINNER

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(Revised 2/2017)