

**COLAB SAN LUIS OBISPO COUNTY**

**WEEK OF MAY 18-24, 2014**

**VOTER REGISTRATION - MAY 19<sup>TH</sup> IS THE  
LAST DAY FOR THE JUNE 3<sup>RD</sup> ELECTION**

**GROWTH MANAGEMENT ORDINANCES  
BETRAY BOARD'S HOUSING HYPOCRISY**

**ALERT**

**ITEM 24 -STAFF REQUESTS BOARD TO  
START PLAN AMENDMENTS AND  
ORDINANCES WHICH WOULD TAKE  
PRIVATE PROPERTY  
ARISE, ATTEND, AND EXPRESS YOUR  
OUTRAGE  
(SESSION IS AFTER 1:30 PM)**

**San Luis Obispo County Board of Supervisors Meeting of Tuesday, May 13, 2014  
(Completed)**

**Item 21 - Appointment of 22 Members to the Paso Robles Groundwater Advisory Committee.** Supervisor Arnold again suggested that the committee be reformed to include more real Basin citizens and fewer representatives of cities, water districts and ideological interest groups. The other 4 Board members would have none of it and simply plowed ahead with the staff recommendation. People in the basin are none too happy with this rejection and there has been quite a bit of complaining during the ensuing days.

**Background:** This item was on a prior agenda but was pulled and sent back to staff when Supervisor Arnold noted that the appointment list had been entirely developed by the Public Works Director without consultation with the Supervisors whose districts overlie the basin. The list was clearly packed with agency (water district/city) representatives and those supportive of the County's current Paso Basin water policies. In a weak sop to the North County supervisors, the Board agreed to add two slots. The previously existing Paso Water Basin Blue Ribbon Advisory Committee legally sunset and the new committee is being created to replace it. Wonder why quiet title/adjudication alternatives are not mentioned?

**Somewhat Relatedly:** The lawsuit challenging the County's adoption of the Urgency Ordinance Paso Water Development Moratorium (the writ of mandate suit) has been assigned to Judge Tangeman. Sophie Trader is representing PR-WIN on the Writ. There is a Case Management Conference and "trial setting" set for 9 am on May 19th in San Luis Obispo Superior Court in San Luis Obispo.

It is not clear if this means that they are keeping the June 4th date for the hearing on the stay, but it will probably be discussed on the 19th.

The courtroom is not very large, but you are welcome to attend to listen.

**San Luis Obispo County Board of Supervisors Meeting of Tuesday, May 20, 2014  
(Scheduled)**

**Item 15 - Los Osos Sewer Project Contract Amendment.** The amendment is small in relation to the project and is covered within the project budget. The more significant issue is that the item is accompanied by a summary budget chart for the whole project. That chart and the accompanying narrative suggest that the project is on course and there are no financial risks impending.

The problem is that the chart's budget column shows the budget as it has been amended, as cost overruns and shifts have occurred over the life of the project. Thus, it is not possible for the reader to actually determine how the project stands in relation to its originally adopted budget.

It should contain an additional column showing the original budget. The existing budget column should be relabeled "revised budget."

More on next page

**Exhibit A**  
**Project Cost to Date**  
**Los Osos Wastewater Project**  
**As Of 4/30/14**

	Item Description	Budget	Costs to Date	Remaining Budget
1	County Financed Pre-Bid Disposal costs through 4/30/2011	\$ 8,137,210	\$ 8,137,210	\$ -
<b>2</b>	<b>Administration/Preliminary Engineering</b>			
3	Carollo Engineers	\$ 174,565	\$ 167,127	\$ 7,438
4	Meyers Nave	\$ 26,590	\$ 1,650	\$ 24,940
5	County Staff/Other Direct Costs	\$ 1,854,819	\$ 1,415,329	\$ 539,490
6	Subtotal	\$ 2,126,974	\$ 1,584,176	\$ 611,798
7	Unallocated	\$ -	\$ -	\$ -
8	Total of Administration/Preliminary Engineering	\$ 2,126,974	\$ 1,584,176	\$ 611,798
<b>9</b>	<b>Environmental Permits/Mitigation</b>			
10	Coastal San Luis RCD	\$ 30,361	\$ 6,790	\$ 23,571
11	Brownstein Hyatt Farber Schneck	\$ 90,000	\$ 65,341	\$ 24,659
12	Far Western Anthropological	\$ 921,688	\$ 520,772	\$ 390,916
13	Mid Town Restoration (R. Burns Construction, Inc)	\$ 400,762	\$ 400,762	\$ -
14	Risk Engineering	\$ 69,096	\$ 69,096	\$ -
15	SLO Green Build	\$ 27,015	\$ 62,008	\$ 35,070
16	SLO State Plant Propagation	\$ 54,071	\$ 54,071	\$ -
17	SWCA	\$ 96,439	\$ 96,439	\$ -
18	SWCA	\$ 333,549	\$ 229,623	\$ 103,926
19	APCD	\$ 250,000	\$ 157,007	\$ 92,993
20	Water Conservation	\$ 3,820,000	\$ 979,547	\$ 2,840,453
21	County Staff/Other Direct Costs	\$ 1,400,000	\$ 1,227,326	\$ 172,674
22	Subtotal	\$ 7,663,811	\$ 3,660,924	\$ 3,992,887
23	Unallocated	\$ -	\$ -	\$ -
24	Total of Environmental Permits/Mitigation	\$ 7,663,811	\$ 3,660,924	\$ 3,992,887
<b>25</b>	<b>Collection and Recycled Water - Design and Construction</b>			
26	Camp Dresser & Mills	\$ 6,152,400	\$ 5,706,266	\$ 446,134
27	Carollo TBE	\$ 20,659	\$ 20,659	\$ -
28	Collection System Contract - Areas A & D	\$ 20,548,240	\$ 24,403,192	\$ 4,145,048
29	Collection System Contract - Areas B & C	\$ 32,367,500	\$ 26,046,660	\$ 6,320,840
30	Collection System Contract - Pump Stations	\$ 9,844,550	\$ 2,171,100	\$ 7,673,450
31	TBE Engineering	\$ 973,214	\$ 6,310,775	\$ 3,361,439
32	LOCSO 2008 Installed Pipes	\$ 772,029	\$ 772,029	\$ -
33	County Staff/Other Direct Costs	\$ 2,600,000	\$ 2,178,700	\$ 421,300
34	Subtotal	\$ 90,035,660	\$ 69,746,484	\$ 20,289,176
35	Unallocated	\$ 0	\$ -	\$ 0
36	Total of Collection and Recycled Water - Design and Construction	\$ 90,035,660	\$ 69,746,484	\$ 20,289,176
<b>37</b>	<b>Treatment Facility - Design and Construction</b>			
38	Carollo Engineers (Preliminary Design)	\$ 705,244	\$ 705,244	\$ -
39	Carollo Engineers (Final Design)	\$ 4,826,899	\$ 3,372,621	\$ 1,454,278
40	TBE Engineering	\$ 4,022,919	\$ 112,414	\$ 3,910,505
41	WRF Contract	\$ 50,601,814	\$ -	\$ 50,601,814
42	County Staff/Other Direct Costs	\$ 1,170,000	\$ 969,924	\$ 200,076
43	Subtotal	\$ 61,326,876	\$ 4,840,413	\$ 56,486,463
44	Unallocated	\$ -	\$ -	\$ -
45	Total of Treatment Facility - Design and Construction	\$ 61,326,876	\$ 4,840,413	\$ 56,486,463
<b>46</b>	<b>Right of Way</b>			
47	Hamner Jewell & Associates	\$ 65,634	\$ 56,697	\$ 8,937
48	Schenbarger Taylor	\$ 66,363	\$ 60,000	\$ 6,363
49	Real Property Acquisition	\$ 2,153,000	\$ 2,247,945	\$ (94,945)
50	Price Pooled Farms	\$ 130,000	\$ 105,691	\$ 24,309
51	County Staff/Other Direct Costs	\$ 415,004	\$ 412,226	\$ 2,778
52	Subtotal	\$ 2,870,001	\$ 2,872,968	\$ (2,967)
53	Unallocated	\$ -	\$ -	\$ -
54	Total of Right of Way	\$ 2,870,001	\$ 2,872,968	\$ (2,967)
55	Subtotal of Project Costs	\$ 172,128,294	\$ 81,042,157	\$ 91,086,137
56	Contingency	\$ 3,652,113	\$ -	\$ 3,652,113
57	SRF Refinance	\$ 6,258,418	\$ 6,200,418	\$ 58,000
58	Interest/Finance Charges	\$ 1,110,000	\$ 1,020,269	\$ 89,731
59	<b>GRAND TOTAL</b>	<b>\$ 183,379,825</b>	<b>\$ 90,360,863</b>	<b>\$ 93,018,962</b>

**Somewhat Relatedly:** It was reported that the Public Works Director Pavo Ogren, who has been the administrative leader of this project, is leaving the County to become the Director of the Oceano Community Services District. He is leaving an agency with an annual operating budget of \$73.1 million and a capital budget in the hundreds of millions that serves 275,000 people. He currently supervises 285 employees and is a key member of the County's executive team. The

District has a budget of \$5,049, 230, serves 7,600 citizens, and has only 8 employees. This is clearly a huge step down from a career standpoint, from the perspective of how future potential employers will consider his employment history: “You left for what?”

The Los Osos Sewer Project (Ogren’s “baby” along with Board Chair Gibson) is at a critical stage given that the sewer plant is just beginning construction, there are serious cost overruns, and now one of the contractors is suing the County for \$15 million dollars claiming that the specifications and pre-engineering were inadequate and misled them. So it is a bad time for the “captain” to be abandoning ship. Normally, and unless he or she were being asked to leave, a professional public servant would stay the remaining two years of the project schedule.

One fairly common behavioral trait seen in both public service and the private sector is for senior executives to “run away” if they anticipate some serious disaster. It would seem strange for Ogren to do this now when the project is reportedly on schedule and reportedly has sufficient funding to cover the overruns. Moreover, Ogren has already been through some tough “patches” and survived well. Publicly, Board members have had nothing but praise for him, the project, and his staff. If one is running away, Oceano is pretty close, and some sort of detonation at the County will produce collateral damage. The subjective pleasure of helping the risky and unstable Oceano District (even if there is low hanging fruit) would not seem to be a sufficient enticement.

Separately, Ogren has been cast as County water czar and has been a seemingly proactive champion of the Paso Basin moratorium, increased regulation, the creation of a California water district, and all the rest of the growing initiatives.

Stay tuned.

**Item 20 - Third Quarter Financial Report.** There are no significant policy issues raised by the Report in the short run. Similar to last year, the Public Defender may exceed his budget because of capital murder trials and the influx of work related to defending Panga Boat crews and passengers.

Revenues have strengthened, and the Board his beginning to talk about restoring reserves and some programs that were reduced during the recession.

One interesting factoid buried in the text is that real property recoding fee revenue is performing substantially below budget:

*As of the end of the Third Quarter, the Clerk-Recorder is reporting that recording revenues have declined 26% compared to the same period in FY 2012-13. The decline is due largely to external factors, such as a shortage of housing inventory, rising sales prices, increased regulations for obtaining loans, and rising interest rates—all of which contribute to decreased home-buying activity.*

*If recording activity continues to be down through the end of the fiscal year, the Department may see a \$350,000 shortfall in recording revenues at year end. While this shortfall will be partially offset by increases in other revenues, it is estimated that the Clerk-Recorder may end the year with a \$263,000 revenue shortfall overall.*

**Item 22 - Hearing to consider an amendment to the Growth Management Ordinance, Title 26 of the County Code, to update the fiscal year references for the maximum number of new dwelling units allowed for the Nipomo Mesa area for Fiscal Year 2014-15;**

**AND**

**Item 23 - Annual Review of County Growth Rate in accordance with Title 26 of the County Code, Growth Management Ordinance and submittal of a resolution approving the annual growth rate for the unincorporated areas of the county. All Districts.**

**These items are an annual travesty.**

The items are somehow interrelated, but it is not clear how it all really works or why there are two separate items, one for the entire county and some sub areas, and one for Nipomo.

Item 22 sets the maximum number of housing units that can be permitted in Nipomo during fiscal year 2014 -15.

Item 23 sets the maximum number of housing units that can be permitted in Cambria, Los Osos, and the rest of the unincorporated County. It then reiterates the Nipomo numbers. Why is there a separate Nipomo item but not a separate item for each of the other restricted areas?

This is a confusing mess. Of course, if there is a clarifying PowerPoint, the staff refuses to include it the agenda package. This is an insult to the public and part of the ongoing effort to obfuscate what is going on and manipulate the Board and the public.

Check the convoluted and obfuscatory language: With respect to the overall County permit limits, the wording states:

*Approve the annual growth rate of 2.3% for areas not in the Los Osos groundwater basin (wastewater moratorium area), the Nipomo Mesa area (Santa Maria groundwater basin), or Cambria.*

Of course, the whole thing is a sham because requested permits have not approached the limits for years. The write-up states in part:

*The GMO allows a carryover of a maximum 10% of the previous year's allocations. Last fiscal year (FY12-13) only fourteen (14%) of potential allocations were used, reflecting a continued significant slowdown in the construction of new residences. This fiscal year (FY13-14), as of April 25, 2014, only 199 (18%) of potential allocations have been used. The projected end of fiscal year is 239 (22%) used allocations. Staff feels a carryover to be appropriate because the two year trend will not exceed the 2.3% growth rate.*

Seriously, Item 20 above states that there are not enough houses being created to even generate the anticipated revenues for property transfer fees in the Clerk Recorders office. Yet the staff and

the Board are renewing the ritualistic ideological limits as if the county is growing like Phoenix in the 1970's.

The table below illustrates the fundamental failure of the Board's current policies:

Table 1

**Residential Activity - Fiscal Year 13-14 as of April 25, 2014**

	Dwelling Units		
	Allowed	Used	Percentage
County Wide - Residential Single Family	636	96	15 %
County Wide - Residential Multi Family *	338	75	22 %
Nipomo Mesa Area - Residential Single Family	84	23	27 %
Nipomo Mesa Area - Residential Multi Family *	45	5	11 %
<b>Total</b>	<b>1103</b>	<b>199</b>	<b>18 %</b>

\* includes residential unit ownership projects and cluster subdivisions within urban

The proposed limits for next year are illustrated in the table below:

Table 2

**Proposed Maximum Growth Rates in Dwelling Units for Fiscal Year 14-15  
(includes carryover of 110 dwelling units)**

	Dwelling Units
County Wide - Residential Single Family * - 2.3%	637
County Wide - Residential Multi Family * - 2.3%	338
Nipomo Mesa Area - Residential Single Family ** - 1.8%	84
Nipomo Mesa Area - Residential Multi Family ** - 1.8%	45
<b>Total Unincorporated</b>	<b>1104</b>

\* includes carry over dwelling units

\*\* does not include carry over dwelling units

What about the 2400 units that are needed for the homeless?

What about the thousands of units that are needed for "work force housing"?

What about the County's stated policy in the new Housing Element to promote the development of manufactured housing?

The Board members are talking out of both sides of their mouths.

How do these limits support the EVC's call for a much broader and more proactive effort to create housing needed to foster economic development?

**ITEM 24 IS SCHEDULED AFTER 1:30 PM: IT ATTACKS FUNDAMENTAL PROPERTY RIGHTS (THROUGH TAKINGS) AND SHOULD BE FORCEFULLY OPPOSED – NOW IS THE TIME TO SHOW UP AND NIP THIS IN THE BUD.**

**Item 24 - Staff Request for Board to Authorize Taking of Private Property through Plan Amendments and Revised Zoning Ordinances. The AG Cluster Subdivision Ordinance is Singled Out for Special Attack.**

First of all, this matter should be withdrawn from the agenda and rescheduled after a much broader and explicit notification process because it is so fundamentally controversial and flawed. Even the staff report notes that most of the groups which attended workshops had significant problems.

**Key Provisions Include:**

- ✓ Severe caps on the number of building permits issued per year (much lower than those outlined in Item 23 above).
- ✓ Forced extinguishment of legal lots which the County determines to be substandard.
- ✓ Forced merger of lots where the County determines that the existing legal lots are too small.
- ✓ Forced used of an expanded transfer of development credits program (TDC's).
- ✓ New restrictions and forced larger parcels for the subdivision of agricultural land.
- ✓ Making permanent the water restrictions contained in the Paso Robles Urgency Water Moratorium.

Please read the full report at the link:

<http://agenda.slocounty.ca.gov/agenda/sanluisobispo/3352/SXRlbSBEb2N1bWVudCAoUHVibGljKSA=/14/n/28226.doc>

**Local Agency Formation Commission (LAFCO) Meeting of Thursday, May 15, 2013  
(Completed)**

**Item B-1: Water Status Update.** The LAFCO Commissioners received a staff report and conducted a discussion of the processing of an application (petition) for the proposed California Water District in the Paso Basin.

**Key points included:**

LAFCO will probably not process the application while the State legislation for a customized board structure (AB 2453) is pending.

The LAFCO Director is less certain that LAFCO can totally modify State statutes as part of its conditions imposed as part of its approval of a district. There is a distinction between active and incidental powers. Incidental powers relate to activities such as financing, raising revenues, structure, etc., over which it does not have modification authority. This will become a very important subject.

LAFCO will have to consider alternative versions, such as a County Water District, and assess which version is most effective.

One speaker pointed out that the whole process might have the cart before the horse, since there is still considerable confusion and dispute about the actual condition of the basin. They are trying to design a building without knowing its purpose.

The issue of whether the district should be voted into existence by a popular democratic vote or a property ownership proportionality vote is paramount at this time.

There is clearly a great deal of learning ahead for the LAFCO Director, Attorney, and the Commissioners themselves.

