



COLAB SAN LUIS OBISPO COUNTY



WEEK OF OCTOBER 5-11, 2014



THE COALITION OF LABOR,
AGRICULTURE, AND BUSINESS

COLAB
San Luis Obispo County

**NORTH COUNTY
MIXER 2014**



Guest Speakers

**DISRUPTING THE
REGIME**

SUPPORTING YOUR MISSION

Wednesday, October 29, 2014

5:30-7:30 p.m.

**Taft Barn
9990 Santa Clara Rd.,
Atascadero**

**(El Camino Real to Santa Clara
Rd. Located at the very end of
Santa Clara Rd., over the bridge)**

**Appetizers and Beverages
will be served.**

RSVPs appreciated by Friday, October 24th.

Email: colabslo@gmail.com or call (805) 548-0340



**Debbie
Arnold**



**Andy
Caldwell**

Join us to hear Fifth District Supervisor Debbie Arnold and COLAB Santa Barbara Executive Director Andy Caldwell slice and dice the current schemes to steal the farmers' water, drive the oil industry and jobs out of both SB and SLO Counties, and the latest on the proposed Paso Robles Basin water management district. This will be a fact filled and energizing tag team presentation.

**COUNTY ADMITS IT STILL DOESN'T KNOW HOW
MANY WELLS HAVE GONE DRY**

(13 MONTHS AFTER ADOPTING THE MORATORIUM ON THE BASIS OF AN IMMINENT THREAT TO PUBLIC HEALTH SAFETY AND WELFARE)

No Board of Supervisors Meeting Scheduled for Tuesday, September 30, 2014

Tuesday, September 30, 2014 was a 5th Tuesday. The Board generally does not schedule meetings on 5th Tuesdays. They did continue the September 23rd meeting to 9:00 AM on Tuesday, September 30th for the purpose of holding an executive session to consider appointment of the vacant Director of Public Works position. No outcome was reported.

Board of Supervisors Meeting of Tuesday, October 7, 2014 (Scheduled)

Item 2 - Monthly Drought Report. The write-up summarizes the purpose of the item:

Accepting the update prepared by the Drought Task Force, which establishes the existence of conditions of drought, confirms the need to continue the proclamation of a local emergency. Maintaining the proclamation of local emergency will continue to allow for the Public Works Department and other agencies to take immediate actions needed by allowing temporary reduction of certain regulatory and purchasing requirements. This will also permit County staff to assist in drought-related work and tasks outside their normal scope of duties in the capacity of Disaster Service Workers under Government Code section 3100. In addition, acceptance of the update from the Drought Task Force confirms the continuing existence of severe drought conditions and will also serve as notice to the State of our dire conditions and a reminder to all of the serious drought conditions facing the County and State.

Reservoir	% of Capacity	Current Acre Feet Storage
Nacimiento	17%	64,750
Lopez	45%	22,421
Salinas	24%	5,759
Whale Rock	48%	18,754

Source: www.slocountywater.org County of San Luis Obispo

The same question remains: if it does not rain during the remainder of 2014 or in 2015, when do the reservoirs run out? Then what?

The County Board and staff have planned a major drought report for the afternoon of Tuesday, October 14, 2014. Please see the related flyer on page 8.

The Board letter contains the paragraph below. It is remarkable and disgraceful. The Board adopted the so-called urgency ordinance, Paso Basin Water and Development Moratorium without any specific data on how many wells were dry or how many were going dry. Now, and over a year later, they still do not have the information.

Domestic Wells

The number of dry groundwater wells, small streams, springs, and creeks are increasing as the drought continues. The County continues to receive calls from individuals who are experiencing problems with their domestic wells; however, determining how many wells have gone dry is proving to be challenging. State agencies are reporting this is a problem statewide. The Governor's Drought Task Force created an online intake form for use by local, state, or tribal and federal agencies to document domestic water issues. While this is recognized as a good concept, it was noted by a number of counties that people continue to hesitate to give out information related to their wells and other water sources having gone dry. The Drought Task Force is considering other tools to survey residents in order to gather countywide totals to inform and coordinate state assistance and response to mitigate drought impacts

Item 18 - Request to approve revision to subordination criteria for individual homeowners with loans from the County's affordable housing programs. This one provides a nice illustration of the complexities and risks that occur when governments become involved in wealth redistribution, subsidizing selected classes of citizens, and otherwise tampering with the market.

In early 2010, a married couple purchased their first home with a County loan through its HOME funded first time homebuyer program. The County loan was secured by a deed of trust recorded in second position behind that of the first mortgage loan. Now this married couple is divorced, and one condition of the divorce is that the remaining owner pay off the ex-wife for her share in the home's equity. In order for the remaining owner to pay her off, he must refinance the first mortgage for a greater amount than it was previously. In order to refinance, the lender requires that the second lien holder, the County in this case, "subordinate" its security to the new mortgage. As a result, the lender is now asking the County to subordinate. This type of situation was not addressed when the County's subordination criteria were established or last revised.

However, in order to pay off the ex-spouse, the owner must refinance the first mortgage with a new, and greater, mortgage. The owner will have higher monthly payments than before, but not so high that they are unaffordable.

Imagine the problems that will occur if this home loan program is substantially expanded.

Item 19 - Mission Gardens Cultural Resources Settlement and Consulting Contract Award \$415,000. Back in 2006 a developer bulldozed a site at the Mission San Miguel next to his project. The site reportedly contains important cultural resources related to Native Americans who lived at the Mission. As a result the developer was required to undertake mitigation activities, including providing funding both to conduct archeological studies of the site and to pay for restoration and preservation activities. He agreed but subsequently went bankrupt, and

the Coast National Bank, which held the mortgage, foreclosed. The Bank was intending to sell the property to another developer. The County insisted that the Bank make good on the mitigations and demanded \$ 900,000. The County refused a compromise offer by the Bank. The Bank then sued because it believed the mitigation cost was excessive. The case was settled for \$ 415,000. The County is now contracting with the not-for-profit California Missions Foundation to manage the mitigation work, which is the subject of this item.

a. Since the County asserted that the amount of work required cost \$ 900,000, shouldn't the County honor its position and contribute the difference? If \$415,000 would suffice, why didn't the County agree in the first place?

b. Shouldn't the Scope of Service be more specific and break down how the funds will actually be used? The scope is pretty vague. Would you pay a contractor \$415K for work described in the vague scope of services below? After all, the entire bank is being forced to pay.

Step One -- An advisory committee has been set up including CMF Executive Director David Bolton, and archaeologists Robert Hoover and Michael Imwalle

Step Two -- Outreach was made to the Monterey Diocese by CMF staff and Diocese officials have expressed a 100% willingness to provide access to their effected property as well as support the efforts of CMF and the County of SLO to mitigate the damage that occurred

Step Three -- To extract what is possible from the area that was mostly affected -- the east wing of the neophyte housing. The archaeology work at the damaged site would focus primarily on the east wing, as the north wing does not appear to have been damaged. It is believed that the floor of the neophyte housing on the east wing remains below the dirt, despite the bulldozer incident that appears to have only hit the upper levels of the cobblestones.

Geophysics are proposed first, with ground penetrating radar picking up cobblestones that would help identify and plot the exact room locations of the neophyte housing. This is suggested for both the east and north wings. It is recommended that Louis Summers of Archeophysics be retained for this procedure as he has done similar work at Mission Santa Barbara, Santa Ines and the Presidio in Santa Barbara.

Step Four - Hand excavations across parts of the east wing would be conducted to determine the extent of what can be uncovered and preserved. This would be done as a precursor to the larger uncovering of the entire east wing.

Step Five -- Once the excavation work has been completed and the underground features properly documented and mapped, the area would be back-covered for preservation and to drive future research.

The above work would be focused on the east and north wings. The open area between the east wing and the church would not be included

Ultimately, CMF would work with Mission San Miguel officials to provide an area at the Mission to display photos, plots and illustrations of the previous neophyte housing complex (both north and east wings) as well as the above described archaeology work so that visitors, students and researchers can understand the location of this neophyte housing in regards to the entire mission complex.

c. Why is it important for "visitors to understand the location of this neophyte housing in regards to the entire mission complex?" It's not as if there are going to be any buildings that can be entered or archeological materials that will be displayed. The write-up says that there might be maps and photos.

d. If the Diablo Power Plant is ultimately closed, should it become a national or local historical monument so that visitors, students and researchers can learn how things worked in the industrial age?

e. Along these lines, the City of Phoenix, during the 1990's, declared 1950's tract houses as historical resources that need protection because there is nothing in Phoenix that is older.

Item 25 - Nacimiento Pipeline Repairs. The item extends the authorization for staff to issue contracts with no bid. No new funding is requested this week. Readers will recall that two weeks ago the Board approved authorization to expend up to \$625,000, up from \$425, 000 the week before.

Item 35 - Breakup of the General Services Department. We reported on this item when it was introduced two weeks ago for formal hearing and consideration this week. COLAB indicated that it had no particular problem with the "dissolution of the super department per se." We did suggest that more operational analysis of the expected benefits be provided. We also suggested that the costs attendant to providing support staff to what amounts to three new departments be reported. The County Administrative Officer responded that the purpose at this point is to process the ordinances necessary to create the new departments legally and to raise the salaries of those division heads (they currently hold the rank of deputy director) who are being promoted to full directors. The operational details, benefits, and other potential costs would be worked out in the future.

That answer is what is called a bureaucratic non-answer. This is putting the cart before the horse. A complete analysis should be prepared before any legal reorganization and employee reclassifications are approved.

The chart below shows a net new cost of \$453,600 but there is no analysis of other costs that could occur. The write-up indicates that the deputy director positions currently inhabited by the four division heads may be eliminated. If they are not, the increased cost displayed on the chart below could jump severely. What do the spans of control look like under the proposal with the deputy positions eliminated?

As the deputies move up to the director rank, will the responsibilities of the classified employees immediately below them expand? If they do, will they, and perhaps their unions, advance requests for salary reclassifications? What could those cost? What is the HR Director's analysis of this situation?

Relatedly, the Executive Session notification at item 36 indicates that the Board will be considering the appointment of a General Services Director, a Parks Director, an Information Technology Director, and an Airport Director. This would signal that the decision has already been made and that consideration of the item is window dressing. How could you schedule the appointments before you know how the issue is going to turn out? Assuming there are no Brown Act violations, the Board members would have to be clairvoyant.

Phase 1	Salary	Benefits	Total Compensation
Eliminated Position			
General Services Agency Director	(\$ 170,061)	(\$ 89,262)	(\$ 259,323)
Added Positions			
Director of Airports	\$ 99,574	\$ 58,387	\$ 157,961
Director of General Services	\$ 125,507	\$ 70,360	\$ 195,867
Director of Information Technology	\$ 125,507	\$ 70,360	\$ 195,867
Director of Parks and Recreation	\$ 102,181	\$ 61,047	\$ 163,228
Net Change			\$ 453,600

Background: The General Services Department contains four functional divisions, including Parks and Recreation, Information Technology, the Airport, and a division also named General Services, which includes support services such as construction services, central mail, facilities maintenance, custodial services, purchasing, property management, energy management, reprographics, and fleet maintenance. The write-up states in part:

The dissolution of the Agency and creation of four independent departments (General Services, Information Technology, Airports and Parks and Recreation) will allow for more direct oversight of the departments, consistent with the relationship that other operating departments have with the County Administrative Office. This reorganization will also enable departmental staff to focus more specifically on their constituents and areas of expertise and responsibility. One of the goals of the dissolution of the Agency is to improve services in several key areas, including the management of the County's capital projects program

The analysis of the financial cost of the new organization needs refinement. For example:

- Will the current division heads serving in the existing structure automatically be promoted or, given that their pay as Department heads will be higher, will there be competition for the positions? We have heard that some of the current division heads are pretty good.
- As distinct separate departments, how will internal organic financial and clerical support be provided? Has the cost of replicating these four times been considered?
- Information Technology, digital communications, and digital service provision are very important strategic business tools for organizations. Governments have barely scratched the surface. Why is it easier to buy a Mercedes Benz on line or get beachfront room you want at a Hyatt resort in Bali than to obtain a minor use permit? A more fully developed vision needs to be explicated for this function prior to committing to an organizational structure.
- What specific beneficial outcomes are projected from this reorganization that do not now exist for each agency?
- What are the predicted cost/benefits?

Early Warning: County Water Summit 2014: 1:30 PM, Tuesday, October 14, 2014

The purpose of this one is not clear from the flyer (next page) other than to say that there will be an update on the drought and that there will be response plans. Perhaps there will be a write-up provided as part of the October 14th agenda package. It's probably too much to hope that the power point slides from each of the departments would be included.

One theory (based on some reported staff comments) is that the real item of business at this meeting is to begin the discussion (and the sweat in of the public) about the Board of Supervisors (County) becoming the applicant at the Local Agency Formation Commission (LAFCO) for the creation of a new Paso Robles Water Basin water management district. The customized district structure and application process were included in recently approved legislation sought by the County.

Hopefully and if this is the case, there will be a staff report covering the potential financial cost of preparing the detailed information about the district which will be required in the application for LAFCO consideration. This would include the organizational structure, listing of its mission functions, the amount of staff and/or consultants which will be necessary to operate its proposed programs, and a description of how its management and administrative support functions (legal, personnel, finance, board clerk, and clerical) will be provided.

Relatedly there will also then need to be a budget developed for all these things. This in turn will require an analysis of the financing mechanisms (fees, taxes, assessments or whatever) and then a description of how these will impact the residents of the district.

Additionally the Board of Supervisors would have to draw the boundary of the proposed district.

This information must be submitted to LAFCO in order for it to conduct an objective study of the feasibility of creating the district.

There will be fundamental questions about the propriety of the County fronting for district proponents since there is also opposition. Will the Board members agree to undertake this and bypass the normal petition process which requires signatures of property owners?

Somewhat relatedly, we have heard that staff is forging ahead on a variety of restrictive water regulations including offset requirements, meter requirements, use restrictions, upgrade requirements on property at resale, and so forth. It is not known if the complete inventory and status of these efforts will be covered. The staff is shopping the ideas around to various County water advisory committees but the general public is pretty much in the dark about the details and overall impact of the many proposals.

Since the meeting is billed as a Water Summit, someone must intend major policy discussions. These certainly haven't been part of the monthly drought updates. The call for the meeting is displayed on the next page.

BOARD OF SUPERVISORS

Frank R. Mecham, Vice-Chairperson, 1st District
Bruce Gibson, Chairperson, 2nd District
Adam Hill, 3rd District
Caren Ray, 4th District
Debbie Arnold, 5th District

County of San Luis Obispo Water Summit 2014



JOIN US!
Board of
Supervisors
Public Meeting

HOSTED BY
County Drought Task Force

LOCATION
County Government
Center Board Chambers
1055 Monterey Street,
Room D-170
San Luis Obispo, CA 93406

**WATCH THE
MEETING LIVE**
Go to the Board of
Supervisor Agenda website
to access the agenda and
documents or to watch the
meeting live.

[www.slocounty.ca.gov/bos/
BOSagenda.htm](http://www.slocounty.ca.gov/bos/BOSagenda.htm)

**FOR MORE
INFORMATION, CALL
805-781-5011**

Current Drought Conditions: Challenges and Response Plans

Tuesday, October 14, 2014 | 1:30 – 5:00 pm

Welcome & Opening Remarks
County Administrative Office

County Drought Task Force Update
County Administrative Office, County Office of Emergency Services,
and CAL FIRE/County Fire

**County Water Systems Update and One Year
Look-Ahead**
County Department of Public Works

**County Agricultural Conditions Update and One
Year Look-Ahead**
County Department of Agriculture and Farm Advisor

Federal Legislative Advocacy
Mike Miller, The Ferguson Group, LLC.

State Water Legislation Update
County Counsel and Paul Yoder, Shaw / Yoder / Antwih, Inc

Closing Remarks
Board of Supervisors

