

Tuesday, March 16, 2004

The Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts, met in regular session at 9:00 A.M..

PRESENT: Supervisors Shirley Bianchi, K.H. 'Katcho' Achadjian, Michael P. Ryan and Chairperson Harry L. Ovitt

ABSENT: Supervisor Peg Pinard

PLEDGE OF ALLEGIANCE TO THE FLAG LED BY CHAIRPERSON HARRY L. OVITT.

SUM AGN

1 PC This is the time set for members of the public wishing to address the Board on matters other than scheduled items.

Rev. C. Hite: speaks to the spending of tax dollars; information that was released to the IRS regarding medical deductions.

Mr. Michael Kovacs: citizen for honest County representation, speaks to more County employees being in court for stealing County funds; states these employees were discovered by "whistle blowers" and not the County Auditor; concerns regarding the County's budget and loss of money; speaks to *The Tribune* being recognized as one of two best small town papers in the country.

Mr. Eric Greening: states he was glad to see Mr. Edge at the League of Women Voter's forum to address the County's fiscal issues; addresses the Beilenson hearings scheduled today and his concern to the notice stating the hearing is 9:00 a.m. and the agenda shows 2:00 p.m.; asks the Board to clarify the time and allow anyone here this morning to testify if they can't come back this afternoon.

Ms. Patty Andreen: commends the Board for filing the Amicus Brief on behalf of the Mothers for Peace action regarding the licensing issue at Diablo Canyon; comments on the sirens that PG&E put in around the County and the concern that they wouldn't have worked during the earthquake, if needed, as the electricity was off; suggests this issue needs to be addressed.

Mr. David Edge: County Administrative Officer, comments on the budget indicating there is not a deficit and there is not expected to be one at the end of the fiscal year; indicates the Reserves are getting tighter because of all the losses of funding from the State level; states the Beilenson hearings will be at 2:00 p.m. today. **No action taken.**

2 B-PC This is the time set for members of the public wishing to address the Board on items set on the Consent Agenda.

Mr. Michael Kovacs: comments on Items B-7, B-16, B-17 and B-18 all being requests for budget increases and urges the Board to not approve these today; addresses his concern to layoffs at schools and suggests there should also be layoffs of some County employees to address these budget augmentation requests. **No action taken.**

3 B-1 **Thereafter, on motion of Supervisor Achadjian, seconded by Supervisor Ryan and**
thru **on the following roll call vote:**
B-19

AYES: Supervisors Achadjian, Ryan, Bianchi, Chairperson Ovitt
NOES: None
ABSENT: Supervisor Pinard

Consent Agenda Items B-1 through B-19 are approved as recommended by the County Administrative Officer.

Consent Agenda Items B-1 through B-19 are on file in the Office of the County Clerk-Recorder and are available for public inspection.

Items set bid opening:

- B-1 Plans and specifications (Clerk's File) for a portion of Old County Road, Templeton; 1st District, **Approved and the Clerk is instructed to give notice of bid opening set for April 15 2004 at 3:00 p.m..**

Administrative Office Items:

- B-2 Modifications to the Local Workforce Investment Area Strategic Five-Year Local Plan (Clerk's File) agreement with the Private Industry Council, **Approved.**
- B-3 Letters supporting Senate Bill 438 and Assembly Bill 1510 for certain fiscal relief related to the San Simeon Earthquake, **Approved.**
- B-4 **RESOLUTION NO. 2004-77**, accepting the exchange of property tax revenue and annual tax increment for Annexation No. 4 to the Oceano Community Services District (Ellsworth), **Adopted.**
- B-5 **RESOLUTION NO. 2004-78**, reviewing the conflict of interest codes for the Heritage Ranch Community Services District, **Adopted.**
- B-6 **RESOLUTION NO. 2004-79**, authorizing participation by the County of San Luis Obispo in "The County Exhibits Program" at the California State Fair, **Adopted.**

General Services Items:

- B-7 Request to create a new project "Airport Security Access System" at the San Luis Obispo County Regional Airport and approve a corresponding budget adjustment in the amount of \$100,000 from federal grant revenues, **Approved.**
- B-8 Contract (Clerk's File) with the Environmental Collaborative for landscape architectural/engineering services to implement Phase I of the Los Osos Community Park Master Plan; 2nd District, **Approved.**

Public Health Items:

- B-9 **RESOLUTION NO. 2004-80**, commending Debbie Dover upon her retirement after thirteen years of service with the Public Health Department, **Adopted.**
- B-10 **RESOLUTION NO. 2004-81**, to withdraw the San Luis Obispo County Health Department as the Solid Waste Local Enforcement Agency to the California Integrated Waste Management Board, **Adopted.**

Public Works Items:

- B-11 **RESOLUTION NOS. 2004-82 and 2004-83**, for the acceptance of road improvements on Santa Ysabel Road in Paso Robles, County Road No. 4380, Blacklake Canyon Drive, Blacklake Circle, American Way, Conestoga Lane, Old Ranch Lane and Coloma Lane in Nipomo Mesa, County Road No.'s 1294, 1458, 1459, 1460, 1461, 1462, Ruth Way, Templeton, County Road No. 5402; 1st and 4th Districts, **Adopted.**
- B-12 **RESOLUTION NO. 2004-84**, accepting conveyance from the State by agreement and grant of easement to the County for the reconstruction of Old Creek Road; 2nd District, **Adopted.**
- B-13 The following parcel map has been received and has satisfied all the conditions of approval that were established in the public hearing on its tentative map: COAL 03-0240, a proposed lot line adjustment of 2 lots, by Swisscollina LLC and Dahlberg

Farms, LLC, Estrella Road, east of San Miguel, **Approved** and **RESOLUTION NO. 2004-85**, to accept the offer of dedication for Estrella Road, and order the abandonment of a part of the public easement; 1st District, **Adopted**.

Other Items:

- B-14 Request by the Clerk-Recorder to destroy unaccepted bids covering the period of May 14, 1998 through March 4, 1999, **Approved**.
- B-15 Request by Board Members to allocate \$2,000 from Community Project Funds (District One - \$500, District Five - \$1,500) to the Atascadero Historical Society to offset the cost of moving the Historical Society and Museum into storage due to earthquake damage, **Approved**.
- B-16 Budget adjustment in the amount of \$3,612 from Library Public Facility Fees to complete payment for the Creston Branch Library, **Approved**.
- B-17 Request by Child Support Services to approve a budget adjustment in the amount of \$295,384 from General Fund Contingencies to pay for the County's share of the Federal Child Support Automation Penalty, **Approved**.
- B-18 Annual agreement (Clerk's File) with the State Department of Forestry and Fire Protection for cooperative fire protection services and approve a corresponding budget adjustment in the amount of \$745,147 from General Fund Contingencies, **Approved**.
- B-19 Submittal by the Auditor Controller of an unannounced cash count report of the Sheriff-Civil Division's Office conducted on January 13, 2004, **Received and Filed**.

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- C-1 This is the time set for hearing (Introduced March 2, 2004) to consider an ordinance amending Title 22 (Land Use Ordinance) and Title 23 (Coastal Zone Land Use Ordinance) in order to implement Floodplain Management Standards and Requirements as mandated by the Federal Emergency Management Agency; All Districts.

Ms. Kami Griffin: Planning, presents the staff report; indicates the changes include clerical and definition changes/corrections; states the biggest change has to do with when construction standards are applied and explains.

Mr. Eric Greening: states this document is basically fine but he does have concerns regarding the language for the lowest elevation for construction being the mean high tideline, with Mr. Tim Tomlinson, Public Works, responding that this refers to the base flood elevation.

Thereafter, on motion of Supervisor Achadjian, seconded by Supervisor Bianchi and on the following roll call vote:

AYES: Supervisors Achadjian, Bianchi, Ryan, Chairperson Ovitt
NOES: None
ABSENT: Supervisor Pinard

the reading of the proposed ordinance is waived and said proposed ordinance is read by title only and ORDINANCE NO. 3024, an ordinance amending Title 22 of the San Luis Obispo County Code, the Land use Ordinance, Sections 22.14.060 and 22.80.030 relative to Flood Plain Management and the Flood Hazard Combining Designation, adopted.

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- C-1 **Thereafter, on motion of Supervisor Achadjian, seconded by Supervisor Bianchi and on the following roll call vote:**

AYES: Supervisors Achadjian, Bianchi, Ryan, Chairperson Ovitt
NOES: None
ABSENT: Supervisor Pinard

the reading of the proposed ordinance is waived and said proposed ordinance is read by title only and ORDINANCE NO. 3025, an ordinance amending Title 23 of the San Luis Obispo County Code, the Coastal Zone Land Use Ordinance, Section 23.07.060 et seq. and Chapter 11 relative to Flood Plain Management and the Flood Hazard Combining Designation, adopted.

6 CS The Board announces it will be going into Closed Session regarding:

I. PENDING LITIGATION (Gov. Code, § 54956.9.) It is the intention of the Board to meet in Closed Session concerning the following items:

A. Conference with Legal Counsel - Existing Litigation (Gov. Code, §54956.9(a)) (Formally initiated) (1) *In re PG&E Bankruptcy*, (2) *NRC Proceedings Concerning Diablo Canyon License Transfer*, (3) *NRC Proceedings Concerning Spent Fuel*, (4) *AT&T v. County of San Luis Obispo*, (5) *MCI WorldCom v. County of San Luis Obispo*, (6) *California Farm Bureau Federation v. California Department of Forestry and Fire*, (7) *Thurman, Barry v. Soper, Elizabeth, Family Care Network, Inc. v. County of San Luis Obispo* and (8) *Crawford & Company, et al. v. County of San Luis Obispo*.

B. Conference with Legal Counsel - Anticipated Litigation (Gov. Code, §54956.9)(9) *Significant exposure to litigation (Gov. Code, § 54956.9(b).) No. of cases* 2. Facts and circumstances not known to potential plaintiff which indicate significant exposure to litigation. (10) *Initiation of litigation (Gov. Code, § 54956.9(c).) No. of cases* 2.

II. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code, §54957.6) It is the intention of the Board to meet in Closed Session to have a conference with its Labor Negotiator concerning the following: (11) Negotiator's Name: *Santos Arrona, Gail Wilcox*, Name of employee organization: *Deputy Sheriff's Association*.

III. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code, §54956.8) It is the intention of the Board to meet in Closed Session to have a conference with its Real Property Negotiator concerning the following: (12) Property Description: *Tract #2162 Emergency Access Easement (through several properties), Nacimiento Shores Road, Oak Shores, Supervisorial District No. 1*, Parties with whom negotiating: *Monterey County Water Resources Agency, Andre, Cameron, Cannon, Ens, Hall, Happy Landing, Ingalls, Laguna Vista Boat Club, Loguzzo, McNamara, Renck (Rancho La Goleta), Vaughn and Walnut Land Company*, Instructions to Negotiator will concern: *Status of Negotiations for acquisition of real property by County Negotiator, Right of Way Agent*.

Chairperson Ovitt: opens the floor to public comment without response.

Thereafter, pursuant to the requirements of the Brown Act, County Counsel reports out on the items discussed during Closed Session as follows: No report required because no final action was taken and the Board goes into Open Public Session.

7 C-2 This is the time set for hearing (Introduced March 2, 2004) to consider discontinuing the direct provision of outpatient healthcare services and contracting with the Community Health Centers (CHC) of the Central Coast to provide those same services plus enhancements throughout the County; All Districts.

Ms. Gail Wilcox: presents the staff report; thanks all the folks that were involved in this process; provides a brief history on the clinics and the discussion/direction by the Board back in December on this issue; outlines the proposed changes for the Board's consideration relating to discontinuing direct provision of clinic services, including some public health services; addresses the analysis, by staff, of a Federally Qualified

Health Center (FQHC); indicates that the CHC is a FQHC and as such they receive a much higher level of reimbursement for services provided to Medi-Cal and Medicare patients; addresses the negotiations with the CHC and what was included; addresses the recommended changes or discontinuation of ancillary services such as the lab, radiology and the pharmacy; addresses concerns that have been raised by the employees of the lab as to the ability of CHC to provide certain testing; outlines the expected results by approving the staff recommendations and the cost savings to the County.

Mr. David Edge: County Administrative Officer, thanks Ms. Wilcox for all her work and that she has “once again exceeded his expectations”; indicates she looked at what was the best deal for the person receiving the services and what was the best deal for the taxpayer.

Mr. David Kilburn: states he lives with HIV; addresses the number of medications he is required to take; wants assurances that if the recommendations are approved that they will address the issue of folks living with HIV.

Ms. Edith Kahn: addresses the group she represents who assist folks living with HIV and Hepatitis C (Hep C); comments on the meetings with the CHC to help address their client’s needs; volunteers to be on any oversight committee that is created.

Mr. Eric Greening: believes there are serious concerns about all this still and that the contracts shouldn’t be approved until all the concerns have been addressed; addresses his concern regarding accountability from the County to CHC; concerns regarding the lack of a “Plan B” if this doesn’t work out; urges the Board to retain the status quo until all the concerns have been addressed.

Ms. Susan Hughes: Chairperson for the First Five Commission, states she is here to support the staff recommendation regarding matching funds and the need to provide health services to all children.

Ms. Coleen Beck: states she has been a CHC patient for a number of years and addresses all the assistance with an existing condition they have provided her during that time.

Dr. Gary Donath: speaking as the President of the County Medical Society and himself; thanks Ms. Wilcox and everyone involved for all their work; supports approval of the agreement with the CHC, continuing the lab for one year, continuing CMSP for one year and the remainder of the staff recommendations.

Ms. Cathy Louis: SLO Hep C Project, speaks to the needs of folks who have Hep C; and they need assurance that these folks will receive all the care they need and deserve through the CHC.

Mr. Terry Comer: Health Counselor for the AIDS Network, urges support for those with the most needs to receive the care they deserve; concerns about caring for patients with HIV or other ailments such as a high risk pregnancy.

Mr. David Herrod: states he is a CHC patient and is very satisfied with the care he has received from them; states he wouldn’t be here today without their help.

Ms. Ada Howell: states she is a CHC patient and addresses all the help they have provided her.

Ms. Margaret Petker: CHC patient, speaks to the quality of care at the CHC and her support of the same.

Ms. Serina Perez: CHC patient, speaks to how they are helping her with her pregnancy.

Ms. Rosario Cano: states she is a patient at CHC and addresses the care she and her two daughters have received.

Mr. Charles Florez: states he is a patient at the CHC and speaks to the help they have given him and because of that help he has been clean for three years.

Ms. Hermenia Hernandez: states she has had Lupus for a number of years and CHC has provided her care; states they also have a good dental program.

Ms. Roberta Villegas: speaks to the good care she has always received at the CHC.

Rev. C. Hite: speaks to non-judgmental health care; her health care issues; and feels the County has limited choices in health care.

Mr. Dave Edwards: Community Health Foundation, speaks in support of the staff recommendations and approval of funding for the Children's Health Initiative.

Ms. Kaye Michelson: thanks Ms. Wilcox for all her work and urges approval of all the staff recommendations.

Ms. Ernesto Aguilar: states he is a CHC patient and is glad to have their services.

Ms. Marlys Thole: speaks in support of the CHC and states she has been a patient since 1991; comments on how they have helped her get her life back together.

Ms. Kim Fleming: Casa Solano, speaks to the assistance the CHC provides the women at her facility.

Mr. Dean Rollins: General Manager for the San Luis Obispo County Employees Association, states he disagrees that the FQHC status for the County is unattainable; suggests County staff could provide better services; addresses the impacts to County employees if these agreements with CHC are approved; wants the pharmacy and breast-feeding programs to also be continued for one more year; asks that this decision be postponed until all the impacts have been considered.

Dr. Tom Hale: thanks the Board for continuing to address the health care needs of the County; feels the CHC can expand services throughout the County and urges support of the staff recommendations.

Dr. David Harris: Society Group Foundation, speaks in support of the CHC and the staff recommendations.

Ms. Kathleen Aragon: EOC, speaks to her role in assisting farm workers with their health care needs; she wants assurances that there will be enough Spanish speaking staff at CHC, as the majority of those she assists their primary language is Spanish; addresses the need to have staff that can assist the farm workers with their Form 990.

Ms. Susan Harvey: feels this is an inadequate contract and it needs more safety nets in it; comments on the Form 990 and information that is needed; questions the level of education of the staff at the CHC.

Mr. Julian Crocker: Community Foundation, states he is representing the Board of Directors and they support the staff recommendations regarding children services.

Ms. Teri Prince: San Luis Obispo County Clinical Lab, presents written information titled “Comparison of Laboratory Productivity”; outlines what they can do if they do the CHC work; addresses a model budget for their lab services and suggests this model shows that by the end of the second year it will most likely be paying for itself.

Dr. Brian Roberts: speaks in support of the CHC contracts and the staff recommendations; he is hopeful about this change but states there will still be “bumps in the road” in order to get where we want to go.

Ms. Pam Heatherington: states she has concerns but was happy to hear CHC patient’s support; feels accountability is a big issue and needs to be addressed for the patients of this County; concerns that there is information missing and asks that this not be approved today.

Mr. Reginald Fagan: states he has not had medical insurance for the past four years; after leaving the area for a while he returned last year and speaks to the poor care he believes he received at the CHC; states he is back with the Family Care Clinics and getting the help he needs.

Ms. Wilcox: responds to public comment regarding the HIV issues; options to get out of the contract if the County is not satisfied with the CHC; 101 of the 160 current employees of the CHC are bilingual; salary and benefits will be different for any County employees changing over; highlights requirements of the contract with respect to records and reports from CHC; states the effective date of the contracts will be when all the licensing issues have been completed and not the approval date for the contracts.

Chairperson Ovitt: questions the phone messaging system that was in place when the Hospital was closed.

Dr. Greg Thomas: Public Health Director, states they had a contract with Hotline for this phone service but it was not being utilized; states Hotline still provides referrals when needed.

Supervisor Ryan: questions services for HIV or Hep C patients today versus what they will receive with CHC.

Dr. Ernesto Herfter: CHC physician, states he is glad to have the opportunity to work for CHC; addresses services they will provide and the additional training they are receiving regarding Hep C; speaks to the specialty training required to provide HIV care.

Supervisor Ryan: questions CMSP continuing for one more year and the qualification requirements, with Ms. Wilcox and Dr. Thomas responding.

Supervisor Bianchi: states she supports all the staff recommendations and wants to add a recommendation that would require that the savings from this change stay in health care particularly in Behavioral Health; feels there is still a need for a patient advocate system and she will continue to push for this; supports the continuation of the lab for one year with a review at the end of that year; suggests the need for an oversight committee.

Mr. Edge: addresses his concern to making specific budgetary requirement changes in this setting and suggests that health care includes departments

such as Drug and Alcohol, Public Health and departments such as Fire and Sheriff are all looking at budgetary issues.

Supervisor Bianchi: states she wants the money from the savings to stay in Medical Services with Behavioral Health as a priority.

Supervisor Achadjian: thanks Ms. Wilcox and all the folks involved with this process for their work; supports the continuation of the lab for one year with a reevaluation at the end of the year; wants to see a one year performance-based evaluation of the CHC to come to the Board.

Thereafter, on motion of Supervisor Achadjian, seconded by Supervisor Ryan and on the following roll call vote:

AYES: Supervisors Achadjian, Ryan, Bianchi, Chairperson Ovitt
NOES: None
ABSENT: Supervisor Pinard

the Board approves the contracts with the Community Health Centers (CHC) of the Central Coast to provide outpatient healthcare services, including ancillary services as outlined in the contracts attached to the staff report dated 3/16/04; continues the operation of the County's clinical laboratory for a one year period with a reevaluation at the end of the year; directs staff to develop and submit to the Board recommendations for appointments to CHC's Board of Directors; directs staff to modify the eligibility and reimbursement policies for the County Medical Services Program (CMSP) to allow an increase in reimbursements not to exceed Medicare rates for physician specialists who treat CMSP patients; directs staff to meet with the Proposition 10 - First Five Commission to develop and return to the Board with a proposal to create a matching grant fund program to provide money in support of Childrens Health Initiative; directs that a performance-based evaluation of the CHC contract come back to the Board in one year; and, CMSP is to be under the authority of Dr. Thomas (Public Health Director) as far as determining its eligibility.

Chairperson Ovitt: thought CMSP was remaining the same, with Ms. Wilcox indicating that it is not changing and will continue to be administered under the Public Health Department.

Chairperson Ovitt: thanks Ms. Wilcox and everyone involved in this process; addresses his history with this over the past ten years.

Matter is further discussed and thereafter, on motion of Supervisor Bianchi, seconded by Supervisor Ryan, with Supervisor Pinard being absent, motion carries and the Board directs staff to bring a report back on the savings and on keeping that savings in the health care system.

On motion duly made and unanimously carried, the Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts, does now adjourn.

I, **JULIE L. RODEWALD**, County Clerk-Recorder and Ex-Officio Clerk of the Board of Supervisors of the County of San Luis Obispo, and ex-officio clerk of the governing body of all other special assessment and taxing districts for which said Board so acts, do hereby certify that the foregoing is a fair statement of the proceedings of the meeting held Tuesday, March 16, 2004, by the Board of Supervisors of the County of San Luis Obispo, and ex-officio the governing body of all other special assessment and taxing districts for which said Board so acts.

JULIE L. RODEWALD, County Clerk-Recorder
and Ex-Officio Clerk of the Board of Supervisors

By: /s/Vicki M. Shelby,
Deputy Clerk-Recorder

DATED: March 23, 2004
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